Daily Report

Central Eurasia

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FBIS-SOV-96-126 *28 June 1996*

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Russia: Yeltsin Urges Young People To Make 'Right Choice'

LD2706145896 Moscow Mayak Radio Network in Russian 1215 GMT 27 Jun 96

[Interview with Russian President Boris Yeltsin by unidentified correspondent; place and date not given — recorded]

[FBIS Translated Text] [Correspondent] Boris Nikolayevich, it is Russian Youth Day today. However, the upcoming elections are more important to talk about today. Of course, you voted in elections when you were young. I wonder what feelings you had at that time.

[Yeltsin] First of all, I congratulate all young people on their holiday. It is not at all bad when they have yet another day for making merry. I wish them happiness and self-confidence.

I can describe the feelings which I experienced when I had to make the main choice of my life. I was in love with the only candidate, with no alternatives. To tell you frankly, it was nothing to do with the indestructible bloc of communists and nonparty persons. When I proposed to Naina, my wife, I was choosing my future. My whole life could have been different if I had been mistaken then. But I have made the right choice. It is very important, in general — to make the right choice in life.

[Correspondent] Seriously though, we will have to make our choice on 3 July. Why should we vote for you in particular?

[Yeltsin] You are not under any obligation to anyone. I am not canvassing you to vote for Yeltsin. You yourself must make your own choice. Vote for yourselves. Whatever you decide, that will be it. That will be it for years to come. But think first before you make any decision. It is your votes only that can tell us: Full steam ahead! I believe you will make the [right] choice.

[Correspondent] Thank you for this interview.

[Yeltsin] Good luck to you!

Russia: Aide Says Yeltsin To Abide by Law if Zyuganov Wins

LD2706122596 Moscow INTERFAX in English 1141 GMT 27 Jun 96

[FBIS Transcribed Text] MOSCOW, June 27 (Interfax) — Russian President Boris Yeltsin will stick to the applicable laws if the Communist candidate Gennadiy Zyuganov wins the presidential election and it comes to the hand-over of power.

Presidential legal affairs aide Mikhail Krasnov told a news conference on Thursday that Boris Yeltsin had complied with the constitution thus far despite all the talk of a elections being postponed, and there are no indications he would act otherwise.

At the same time, as he answered questions about the details of a future inauguration ceremony and the possibility Yeltsin may have to hand over power to Zyuganov, Krasnov said: "I don't want to even think about that."

Krasnov said that in keeping with the existing laws the president-elect takes office as of the moment he is sworn in and that must happen no later than thirty days after the Central Electoral Commission declares the official returns.

Russia: Ex-Presidential Hopeful Fedorov May Join Yeltsin Government

LD2706132896 Moscow INTERFAX in English 1319 GMT 27 Jun 96

[FBIS Transcribed Text] MOSCOW, June 27 (Interfax) — Renowned ophthalmologist Svyatoslav Fedorov, one of the also-rans in the first round of the Russian presidential elections, does not rule out the possibility of his joining the government to be formed by incumbent President Boris Yeltsin if Yeltsin gives the go-ahead to the realization of his ideas.

Fedorov told INTERFAX Thursday that he does not doubt Yeltsin's re-election in the July 3 voting.

"Russia is still a country of destroyers rather than creators, and as long the authorities favor a bunch of new super rich while leaving an army of hired workers in the cold, there will be no light at the end of the tunnel," he said. Fedorov believes that the emphasis of the economic change should be shifted from the macroeconomic to the microeconomic level "of the individual, the owner of what he produces, of the family, of the small and medium business."

His meeting with Yeltsin will take place in the next few days, Fedorov said. He is confident that the president will listen to him: "He has to listen, because Russia now is like a sinking ship," which cannot be rescued "unless millions of people join the production."

Fedorov confirmed that in the second round he would vote for Yeltsin, whose platform "is more realistic and acceptable for today's Russia than that of Communist Party leader Gennadiy Zyuganov."

On the other hand, Fedorov will not call on the 650,000 people who voted for him in the first round to vote

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for Yeltsin on July 3. "Ours is the Worker's Self-government Party and so every member will make his own decision," he said.

Russia: Yavlinskiy Urged To Openly Back Yeltsin

LD2806084296 Moscow ITAR-TASS in English 0742 GMT 28 Jun 96

[By Igor Zhukov]

[FBIS Transcribed Text] MOSCOW, June 28 (Itar-Tass) — A large group of State Duma members from the Yabloko parliamentary group is going to appeal to their leader Grigoriy Yavlinskiy to announce at once his all-out and unconditional support for the candidature of Boris Yeltsin in the second round of the presidential elections, Tass learned today from a reliable source in the Yabloko leadership.

As was reported earlier, Yabloko's unclear stand before the runoff elections is evoking the discontent in its parliamentary group. A number of well-known legislators representing that movement, specifically, Chairman of the Committee for International Affairs Vladimir Lukin, Duma Deputy Speaker Alexey Yuriyev, members of parliament Yelena Mizulina, Viktor Sheinis, Valery Borshchev, Ivan Grachev, Yuriy Shchekochikhin and all the members of parliament who represent in the Duma the Moscow regional branch of the movement, have already expressed disagreement with the ambiguous stand assumed by Yabloko.

They believe that today, with less than a week left before the decisive voting, Yabloko should clearly and unconditionally support Yeltsin and put forward any proposals, that the movement finds necessary to put to the head of state, after his victory on July 3.

Russia: Zyuganov Claims Media Working for Yeltsin

MM2706132296 Moscow SOVETSKAYA ROSSIYA in Russian 27 Jun 96 p 3

[Message from G. Zyuganov under the general heading: "Unbridled Campaign Undermining Faith in Election Results"]

[FBIS Translated Text] To the members of the Federation Council

To the State Duma deputies,

To the Russian Federation Central Electoral Commission

To the mass media

Today it has become obvious that all resources have been thrown into the struggle to elect Mr. Yeltsin as president for a second term.

The numerous reports arriving from localities confirm that the leaders of the republics and heads of the oblast, kray, rayon, city, and rural administrations have been given direct instructions to achieve the reelection of the incumbent president at any price. Many leaders of executive organs have been warned that they will not keep their posts unless Mr. Yeltsin wins in their region.

There is documentary confirmation that the relevant orders and directives have been issued through a number of ministries and departments and the command of several categories of troops.

The funds of banks and financial-industrial groups have been mobilized to support the president's election campaign. They are nearly all made to pay an "election tribute."

On traveling to the regions Yeltsin time after time "unties" budget funds for individual territories, cities, enterprises, and organizations, handing out populist "gifts." In all sums for "donations" of this kind have totaled tens of trillions of rubles. This is the money which has not been paid to teachers, doctors, servicemen, and pensioners. Naturally this pernicious and illegal practice of spending the people's money is giving rise to protests and anger among the population.

There is no need to prove that this approach toward the electoral campaign flagrantly contradicts article 37 of the law "on the election of the Russian Federation president" which stipulates that the incumbent president during his participation in the elections "does not have the right to use the advantages of his official position."

The unbridled campaign in support of Mr. Yeltsin, the attacks on the people's patriotic forces, the hysteria and psychosis have been unleashed and are being built up in the mass media. Radio and television have essentially embarked on the path of kindling social hated and civil confrontation. The responsibility for this is borne by the leaders of the television and radio companies and editorial offices, Sagadayev, Blagovolin, and Malashenko.

The plans of Yeltsin's election staff aimed at the localities contain hundreds of mass events and television and radio propaganda shows which are conducted with the participation of representatives of the authorities. They thus grossly violate article 38 of the law on the presidential elections, which bans campaigning "by the federal organs of state power, the organs of state power and components of the Russian Federation, organs of

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local self-management, and officials in their execution of their official duties."

Thus the law's requirements guaranteeing equal conditions for the presidential candidates thus become an empty sound. And this has already been noted by international observers and registered in their official documents.

In this connection I am obliged to appeal to the Russian Federation Central Electoral Commission and to the mass media with a resolute protest and warning that this illegal practice of preparing the elections and conducting election campaigning could cast doubt on the actual results of the vote for Mr. Yeltsin.

I categorically insist on the adoption of urgent steps to rule out violations of the Law and to ensure truly equal conditions for the candidates for the post of head of the Russian state.

Russia: Zyuganov Promises Social, Military Reform

LD2706220196 Moscow Russian Public Television First Channel Network in Russian 1750 GMT 27 Jun 96

[Election broadcast by Gennadiy Zyuganov from the "Election-96" program — live or recorded]

[FBIS Translated Text] Hello! I know my country well and love it very much. I have been to every part of it, from the Baltics to Sakhalin. Never did I think that I would see so many tears, so much grief as I have in recent times. A quiet genocide, basically, is under way. In the prettiest hamlets of the Kuban the death rate is now twice the birth rate. Recently I visited a maternity home and could not believe my eyes. All the cots were virtually empty. The birth rate is now one child per young couple. If things carry on this way, this one child will very soon have to feed itself and its two pensioner parents and give birth to at least three of its own children so that the people of the Russian Federation, the Russian people, do not die out.

Just think what education, training, and equipment will be needed if one person is to feed six! Nowadays they do not want these children to have education. Nowadays they do not want to feed them properly in schools, but instead tell them to ask their mothers to provide lunch. Two out of every three children do not get hot lunches. Children faint in every school, every week.

We are being told that this is reform. A million — just think — a million people died in Russia last year alone. Six Hiroshima bombs exploded over the country and these people vanished forever. This is reform, we are told. Meanwhile, a breadwinner finds himself unemployed, goes begging, and apologizes to his wife when he returns home. We are told this is reform. Meanwhile, a mother trembles every time her son goes out on the street, wondering whether he will return home again. We are told this is reform. Meanwhile, thousands of our children are perishing in Chechnya. We consider that this is complete lawlessness that can and must be stopped.

A number of specific measures must be taken to this end. The first thing I will do is to return everything that was taken away from children, women, and the elderly — the right to a peaceful education, to receive health care, to use all the children's health resorts and establishments. The elderly will get back their right to proper pensions. Women should have absolutely no worries about their husbands, about their husbands' work. We will help them as a priority.

The Russian nation has been conquered, but it has never been dismembered. Today, as a result of the Belovezhskaya Pushcha conspiracy, we have stranded 25 million of our compatriots outside our sovereign borders. They are being humiliated and mistreated. They have lost all normal civil rights. I will restore citizenship to all those who find themselves stranded outside the Russian Federation.

I am very worried about the state of the country's security. We upheld our country's honor as a great power. But now the last bastions — our memory, our love, our respect for our culture and history, our native language — are under attack. Our most important institutions, the army and the Orthodox Church, are being finished off. If they dismember us along religious lines, we will lose everything. Goebbels once said: we can conquer that country, but if they plant a priest in every village and do not allow these priests to be divided along religious lines, we will never conquer that country. But today we are all being quite simply finished off.

I will take steps to support the state's most important institutions first and foremost — the army, security, and the entire law-enforcement system. You can criticize an individual general, soldier or officer, but these state institutions are most important, and you will definitely respect them. I will restore the dignity of every captain and major. They will not sit around for years waiting for apartments. They will not have to apologize to their wives. They will not have to look anxiously into the eyes of their children.

Army service is an esteemed and honored service. In Russia the army has always been a second church, the most self-sacrificing and worthy part of society. Therefore, we will do our utmost to restore your proper rights, to provide the necessary equipment — and you

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will defend the state and not fight your own people. We have all the documents ready for this and we will make decisions rapidly and energetically. You will have a sober supreme commander in chief, who has served in the Army and knows what army service is like.

I am confident that Russia will revive. On several occasions it has teetered on the brink of the abyss but has recovered. For this there is the strength, there is the potential, and there is a real team and program. I am confident that you will support our measures and, together, we will implement all this.

Thank you. Goodbye.

Russia: Zyuganov Repeats Invitation to Yeltsin for TV Debate

LD2706121496 Moscow Radio Yunost in Russian 0445 GMT 27 Jun 96

[FBIS Translated Text] Radio Yunost is offering this unpaid slot to presidential candidate Gennadiy Zyuganov for an election broadcast.

[Begin Zyuganov recording] Hello, esteemed fellow-countrymen. I represent the national patriotic bloc, which received the support of almost 25 million voters. I do not think that they voted for a return to the past, repressions, gulags, and long lines. We have a substantive program and a sensible team, as well as clear and distinct proposals.

I have proposed an initiative for forming a government of national reconciliation and a council of national accord. The country has been split, but for all of us it has the same sky, the same land, the same fields, the same homeland, and the same fatherland. We are obliged to unite and to restore our good motherland. The current authorities claim that they have given you democracy and freedom of speech. Here you are facing somebody who is heading the largest faction and bloc in the State Duma and who in the last six months has not had even 40 minutes on Television Channel One so that he could give you an account of himself.

Several times I invited Mr. Yeltsin to meet me on the air. I am now once again repeating my invitation because day in day out we have been seeing one and the same propaganda clip showing the current president over and over again. That sort of propaganda can be used to advertise stale goods because if indeed his deeds stir you to vote for him, why should he fear to have a live conversation with me and his electorate on the air? I once again invite him to meet me live on television.

At the same time, I want say that the latest events have convinced me once more that Yeltsin has surrounded himself with his favorites: a string of Chubayses, Burbulises, and Shakhrays who are continuing to orchestrate our drama and who were at the source when the plundering of our country and the destruction of our fatherland began.

I have recently gone in my mind through all the difficult and dramatic pages in the development of our fatherland in the last few years. Take the terrible and bloody days in October in 1993: Mr. Yeltsin at that time was obliged to address the people and to save them from that war. Then there would have been no Chechnya. Whom did we see instead? We saw Gaydar calling on us — a country which has already fought four times this century, having lost in total almost 100 million people — to take arms in our hands and to start marching once more. Did we see Yeltsin at any time during the dramatic developments in the Chechen war? He was in hospital, having repairs to his nasal septum instead of taking immediate measures and ending this fratricide.

What about the tragic events when one of the checkpoints on the Tajik border came under attack? For 16 hours our guys fought there, and almost all of them were finally killed there. Did we hear the voice of Mr. Yeltsin then? No, he was again absent, while other people were making decisions. This situation is continuing now.

I would very much like him to debate with me live on the air to talk to you and to answer all the questions: how we can stop the war; what we should do to support our national industry; what support we should give our businessmen; how we can alleviate the life and future of elderly people, and pay back wage debts to teachers, doctors, miners, and many others.

How can we get out of this difficult situation when the wage debt has increased from 17,000 billion rubles [R] to R24,000 billion [word indistinct], and the whole economy is continuing to break down. Its slump in the first quarter of this year beat all records, amounting to 15-20 and even 30 percent.

There is no stability. Our whole fatherland is on the verge of extinction and complete devastation. Unless we unite and stop this anarchy, it will be too late, I am afraid.

I have spoken to you many a time. Many of you met me in the regions. During this time I visited almost all the republics, territories, and regions, and spoke to you there. You know my position. I am against war. I advocate honest labor. I advocate respect for writers, workers, and teachers equally. I advocate that the work of all those who are doing good for their fatherland should be respected. I would like to set up a normal dialogue.

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I am calling on you to hear out all of my comrades and to make up your minds. Today it is not just a matter of electing president; it is indeed a matter of choosing the future for our motherland. All the best to you. Goodbye. [end recording]

Russia: Zyuganov, Patriarch Discuss Second Round of Election

LD2706173596 Moscow INTERFAX in English 1717 GMT 27 Jun 96

[FBIS Transcribed Text] Moscow, June 27 (Interfax) — Communist presidential candidate Gennadiy Zyuganov was received at his request by head of the Russian Orthodox Church Patriarch Alexy II and had a lengthy conversation with him Thursday, the press service of the Communist faction in the Duma has reported.

The meeting was part of Zyuganov's election program of action "aimed at forming a broad coalition of responsible broad-minded forces to prevent a perilous split of the nation."

The two men discussed the situation preceding the second round of voting in the presidential elections. They were confident that elections must be held on the date required by law and in the absence of tension or confrontation in society, the press service reports.

The sides spoke of the need to guarantee civic peace and accord whatever the election results may be. Feelings of revenge in different social groups and political forces must be ruled out, the report says.

Much attention was paid to the role of the church in society. "The sides unanimously denounced the discrimination against the church by the old leadership and declared there should be no return to it. It was emphasized that in the new conditions, the public needs a more active role of the church in many spheres, in particular in peace-making, charity, social services, and moral upbringing," the press report says.

Russia: Zyuganov Expounds Views on Orthodox Church, Religion

LD2706150096 Moscow Mayak Radio Network in Russian 1315 GMT 27 Jun 96

[FBIS Translated Text] The news conference given by presidential candidate Gennadiy Zyuganov who heads the national patriotic bloc stresses once more that a tough fight for votes is under way. Gennadiy Andreyevich played the Orthodox card and read out an address to Russia's believers.

[Begin Zyuganov recording] On behalf of myself and Russia's bloc of national patriotic forces which have united to support me, as their only candidate for the post of Russian president, I wish to state this: first, after coming to power, the national patriotic forces will do all they can to put a stop to the spiritual and moral depravity of the people and to immoral propaganda in the media, to ban any further development of the pornography and gambling businesses and to streamline the activities of totalitarian sects and preachers of alien values.

Second, we are against any interference in the internal affairs of the Russian Orthodox Church because we do not accept any form of pressure on it not only from the state but also from so-called spiritual dissidents and human rights campaigners.

We regard the Church as a most important source of traditional, spiritual and moral values which gave an impetus to the development of traditions in the nationwide and national way of life and to the development of the fundamentals in Russian society's statehood and originality. We are in favor of the broadest participation by the Orthodox public and clergy in the processes of restoring our motherland and building society in Russia on the basis of genuine power of the people and political and economic diversity.

Like all patriots who still have a conscience, we are grieving about the millions of those who died in social disturbances when a deadly crack cut through the living body of our people. Along with the church, its clergy, priests and the whole of the Orthodox public we will do all we can to learn from this appropriate lessons, to immortalize the memory of victims and not to prevent anything like this from happening again. The social and political forces of the national patriotic bloc will take every measure to prevent any future persecution of the Church and of the Russian traditional way of life and that of other nations. We completely reject the policy of state atheism.

Our goal is to build a unified state based on traditional values, in which the state will serve society under effective public control, rather than being a weapon in the hands of bureaucrats and mafia clans.

Third, in the sphere of ideology, the national and patriotic bloc will guarantee a genuine diversity of convictions as a state ideology gradually develops, with the widest possible participation of religious associations and public organizations. [end recording]

Russia: 'Informed Source' Reports Split Within Communist Party

LD2706185796 Moscow Radiostantsiya Ekho Moskvy in Russian 1500 GMT 27 Jun 96

[FBIS Translated Text] There are five days left to the second round of the presidential elections and the situ-

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ation is extremely uncertain. Various vox pops forecast that both candidates will either get an approximately equal number of votes, or that the incumbent president will have a very small advantage.

However, today our radio station received some sensational information that could radically change the situation. It is possible that there could be a serious split in the camp of the national-patriotic forces led by Gennadiy Zyuganov. Our commentator Aleksey Venediktov will give us some details of what happened:

[Venediktov] Our radio station has learned that Oleg Sheynin and Viktor Anpilov, the two leaders of the radical wing of the national-patriotic front, have held a closed meeting. In addition to the participation of the leaders of Working Russia and Communist Party of the Russian Federation [CPRF], representatives of the Workers' Union, the All-Russia Officers Conference, and the Lenin and the Fatherland Society attended the meeting. The official agenda of the meeting was to discuss issues connected with supporting Gennadiy Zyuganov in the second round of the presidential elections.

According to a report from an informed source, all of a sudden the question of the necessity of boycotting the elections was raised. Radical communists think that the CPRF leader Gennadiy Zyuganov is pushing, without any particular reason, real communists and patriots like Generals Achalov and Makashov, and Anpilov and Sheynin into the background, and is offering seats in the future government to, I quote — such representatives of the bourgeoisie as Luzhkov and Rossel.

The participants of the closed meeting of the radical wing of the national-patriotic front decided not to leave the coalition just yet, but at the same time decided to call for a boycott of the second round of elections. The leaders of the radical wing [of the national-patriotic front] intend to prepare their own congress to meet the new stage of the class fight with a new leader.

Another quote from their resolution: It is necessary to expose Zyuganov's treason, his rapprochement with criminal capital and with the criminal regime.

Our radio station has information that a letter to the so-called councils of workers' representatives and to activists of left-wing radical movements is being prepared at present that describes the situation within the bloc of the national-patriotic forces.

Russia: Pollster Interviewed on Possible 2d Round Election Results

LD2706202096 Moscow NTV in Russian 1535 GMT 26 Jun 96

[Interview with Igor Bunin, director of the Political Technologies Center, by Pavel Lobkov at the NTV television studio in Moscow; from the "Hero of the Day" program — live]

[FBIS Translated Text] [Lobkov] Good evening. This is the "Hero of the Day" program. I am Pavel Lobkov. It is exactly one week to the second round of presidential elections. So many political events happened in the first of two weeks between the rounds that it would be enough for a year of normal, quiet political life. The initial analyses can be done now.

Today we will try to analyze and forecast with the man who most accurately predicted the results of the first round of the presidential elections. He is Igor Bunin, director of the Political Technologies Center.

Good evening, Igor Mikhaylovich. Could you please tell us the following: How would you describe the current stage of the election campaign a week before the election? What is it? Is it an attempt to consolidate candidates as it used to be or is it a sharp split, an exacerbation of an election struggle? What is happening now? How would you describe it?

[Bunin] How can I describe it? The paradox of these elections is the fact that the elections in the first round were perceived by the population as if they had been the elections in the second round. On 16 June the population turned out to vote assuming they would elect the president that day. The polarity had reached such a level by the first round that it was assumed that 16 June was the decisive day. But it turned out that it was not the case. The decisive day will be 3 July. Neither the candidates nor their headquarters nor the electorate were prepared ready for this. The process of recognition is under way now that the decisive choice will be made on 3 July. The strategy of the candidates, their headquarters, and correspondingly the behavior of the voters are beginning to be oriented on a new date — 3 July.

[Lobkov] What may influence the popularity ratings of Yeltsin and Zyuganov now when major moves seem to have been made already? In particular, it is difficult to imagine that Yeltsin can make more moves in the second week between the rounds than he made in the first — on the other hand, everything is possible, of course.

[Bunin] I have the feeling that Yeltsin has exhausted all his election capital. According to a poll by the Public

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Opinion Foundation [POF], after all the grandiose, unprecedented dismissals, Yeltsin's ratings rose to 58 percent — that is an unprecedented figure for the Public Opinion Foundation. He won three points through these dismissals and in fact has taken all the electorate he can take.

[Lobkov] People were saying that Yeltsin had not yet fully mobilized his electorate. Now it has finally happened. Has he fulfilled all the expectations?

[Bunin] It all began with four points in December, eight points in January, 12 in February, and it has now reached... [changes thought] the POF is slightly exaggerating Yeltsin's popularity rating, it is more likely that between 50 and 55 percent of voters intend to vote, but still it is a grandiose jump. He, his electoral headquarters have done the most they could do and the whole campaign was carried out excellently. The only thing that can change the correlation of forces in actual fact is the turnout. The problem of turnout is assuming a decisive nature now, and I cannot exclude the possibility of a defeat for Yeltsin only because of the turnout.

I can give you some simple sociological data well-known to sociologists and political analysts — 100 percent of Zyuganov's voters who intended to cast their votes in the first round did turn out, according to the VTsIOM [All-Russian Center for the Study of Public Opinion]. According to the POF, as many as 110 percent did turn out, which means that 10 percent concealed their intention to vote for Zyuganov.

As for Yeltsin's electorate, only three out of four turned out in the first round, that is 75 percent of those who intended to vote for Yeltsin did turn out to cast their votes.

[Lobkov] What is usually the ratio in voting practice around the world between the first and the second rounds, I mean how many percent of those who vote in the first round do turn out in the second?

[Bunin] It depends on the nature of voting. In case of first-pass-the-post voting in two rounds, more voters turn out in the most polarized and decisive second round.

[Lobkov] So this does happen?

[Bunin] This is what usually happens in France because it is in the second round that the choice is made, the choice of fate, the choice of path, the choice of direction, and so on and so forth. Therefore, the second round is more important than the first. Our voters' expectations were different because they thought that everything would be decided on 16 June.

[Lobkov] Why is it then that everyone who is predicting the voting result and forecasting the correlation of forces, all political analysts without exception are saying that fewer people will turn out in the second round? How can you explain this? Are people tired of the elections or are there other factors?

[Bunin] First, I would like to say that unfortunately a certain mystery is gone. It was there in the first round, there was a gamble in the first round and it was fun to take part in it and see who wins, by how many points, and how this would happen. The element of gamble and excitement that was present in the first round now, according to special qualitative studies, is disappearing. There is no longer the element of risk. And people are thinking: why should I bother, he will win anyway, everything is clear anyway, no problem, why should we go to vote? This is a wide-spread view although it is not registered in polls. It is only registered in special qualitative studies by special focus groups.

That is a very dangerous thing because Yeltsin will win only if 64 percent of the electorate cast their ballot. If the turnout figure falls by two points to 62 percent, Zyuganov's victory is quite likely.

[Lobkov] Can we expect an essential increase in Zyuganov's popularity rating as a result of canvassing and other measures being taken in the framework of the election campaign? It is obvious that Yeltsin has his levers, he is the president, he can do reshuffles and thus win votes.

In the last few days Zyuganov also tried to do the same. He came forward with the initiative to form the government of popular trust, or coalition government, he was proposing his own coalitions. There is an entirely new stage in the communist election campaign when [Viktor] Ilyukhin [member of the communist parliamentary faction and chairman of the Duma security committee] puts on a general's uniform to make unprecedented procurator's accusations against Yeltsin's headquarters. Can the communists win votes now, by just using this campaign?

[Bunin] The Communists have exhausted their potential to an even greater extent, because according to all research they have a ceiling that they cannot exceed. Only the electorate's failure to turn out to vote gives them a chance of victory. They are seeking various strategies. In the first week it was the strategy of compromises, of holding out their hands — we will now kiss each other and form a government of popular trust, everything will be fine, we will remove the border dividing the communists, on the one hand, and Yeltsin's supporters, on the other.

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After the Yeltsin camp rejected that, a run-of-the-mill bipolarization occurred, two poles appeared. It may be said that from today the campaign has become bipolarized. In actual fact the bipolarization of the campaign makes it possible for the communist party to consolidate its electorate. But it is not possible for them to reach the center or the swamp [?of indecisive voters]. Incidentally, this was practically impossible under the previous strategy too, because neither the electoral swamp, nor the centrist electorate, accepted the Communist Party and in actual fact, two-thirds of the population, 55 or 60 percent of the population do not want the Communist Party to come to power.

[Lobkov] There seems to be the view that one does not have to like Yeltsin, one can put up with him, I mean a more radical part of the population. As for Zyuganov, one can either like or dislike him. In other words, there may be a more tolerant attitude toward Yeltsin and a wider circle of people may vote for him than for Zyuganov — one has to be his supporter to vote for him. Is this the picture on the eve of the second round?

[Bunin] In actual fact in January the communists' opponents had a very small advantage. According to opinion polls, 46 percent supported the view that under no circumstances a communist should become president and 42 percent accepted that. [sentence as heard] Since then the communist supporters have considerably gone down in numbers. Everyone realized that communism would bring back the queues and make it impossible to travel abroad — in a nutshell, communism meant complicated consequences in everyday life. As a result, the number of communist supporters has been reduced to one-third, to the one-third which was always there, it was there in 1991, 1993, and 1995 — a third of the population. The communists are in a socio-psychological ghetto, which is impossible to get out of. It is very difficult to get beyond that third.

Yeltsin's most difficult problem is to reconcile his personality with society. In December society was rejecting Yeltsin. He has had to do a great many things to find that consensus with society. He has in fact grown younger, renewed himself, and has become a different man. In December and January, according to focus groups, there were accusations against him that he depended too much on his entourage, that he was physically feeble — they are no longer there. Everyone admits now that he is a real national leader. On the whole, both emotional and rational aspects have been resolved, above all, the rational aspect — for a new society and for a new way. Since the emotional aspect was resolved, it became possible, even for Yavlinskiy's supporters, to vote for Yeltsin.

[Lobkov] The opponents of the present headquarters of Yeltsin, that is, opponents from the democratic camp, say that all these dismissals, all these reshuffles will not have any vital campaign affect because they were implemented out of political, rather than business, considerations. What do you say to this objection?

[Bunin] Well, first, all polls register that the dismissals have been welcomed by public opinion, roughly 60 percent welcome the dismissal of Grachev, the dismissal of the remaining power-wielding heads, the dismissal of Soskovets, 60 percent on the whole welcome all that. I said that already this raised [Yeltsin's] popularity ratings.

Second, the Yabloko position, in this case, is rather strange because 60 percent of the Yabloko electorate already intend to vote in the second round for Yeltsin. If Yavlinskiy says openly and honestly: I call upon you to vote for Yeltsin in the second round, the turnout and the vote for Yeltsin will rise to 80 percent. That is an additional 600,000 votes approximately. Yeltsin will win without these 600,000 votes. In actual fact, a dissonance, a split is beginning between the Yabloko electorate and its leaders. Therefore, they are separating themselves from the electorate, are parting company with them. That is very dangerous for any party.

[Lobkov] We can show you in graphic form on screen the results of some polls published today, exactly one week before the elections.

[Unidentified speaker] According to the VTsIOM data, the turnout at the polling station will be 76 percent. However, in the opinion of Yuriy Levada, director of VTsIOM, the number of voters will be much less. A realistic figure is from 65 to 70 percent. According to a VTsIOM poll, in the second round Boris Yeltsin will get 53 percent of the votes, Gennadiy Zyuganov will get 38 percent. Many of the voters whose candidate did not get through to a second round have not yet decided who they will vote for. However, according to VTsIOM data, the following forecast can be made: 51 percent of the Yavlinskiy electorate will vote for Yeltsin; 39 percent of the electorate of Aleksandr Lebed and 26 per cent of those who did not take part in the first round will also vote for Yeltsin. Fourteen percent of those who voted for Lebed, 6 percent of the Yavlinskiy electorate, 25 percent of Zhirinovskiy's electorate, and 10 percent of those who did not turn out to vote on 16 June will vote for Zyuganov.

[Lobkov] Igor Mikhaylovich, according to your information, the communists will never go beyond the ceiling, that is, there can be no further change in the popularity ratings in the course of the week, no matter what happens?

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[Bunin] I think that they have reached their limit, their ceiling. The only danger, but a very great one for the elections, is the turnout.

[Lobkov] How far are the doubts justified that if the Yeltsin headquarters are too confident of victory that may lead to negative results, that too much campaigning may lower the turnout?

[Bunin] If the electorate becomes confident that Yeltsin will win in any event, that may affect the turnout. That is the main danger. It arises because the electorate is fatigued, that they have to turn out and vote — St. Petersburg has to vote for the fourth time — that they want to rest, to get back to their usual, private affairs. Yes, there is such a danger and in this event there is no point in going over the top.

[Lobkov] What is known about the fate of the Lebed electorate? Who will they vote for?

[Bunin] It seems to me that I know who the Lebed electorate is, although I am not 100 percent sure because a more qualitative study would have to be carried out, but it seems to me that I know who it is. It is a mishmash. He assembled the most diverse voters. There is a core of the Lebed electorate. That is what was known as the Congress of Russian Communities [KRO], the 4 or more percent who voted for KRO in 1995. However, as the electoral campaign of Lebed began to change, when he began to insist that reforms should be carried out and put forward anti-communist ideas, he began to move to the right. He began to embrace part of Yavlinskiy's electorate. Along the way he was able to eat up part of the electorate of our former vice president. He began to move in that direction. The most important part of the electorate that he received in the last week was the so-called emotional voters whom Zhirinovskiy usually got. He took them in 1993. The electorate was formed out of these three elements.

[Lobkov] Zhirinovskiy's electorate is composed of three elements which we know more or less: there is the imperialist idea, it is not clearly formulated. There is the demand for change. There is dissatisfaction with one's life, three components, as it were making up the Zhirinovskiy electorate.

[Bunin] Yes, and in additional he got the emotional voters who choose at the last moment. They were always taken by Zhirinovskiy. Lebed took them this time. The electorate was formed of these three elements, but besides the diversity of the nature of that electorate, its different origins, difficult political character, and recruitment, it had another feature: Lebed, as it were, personified the possibility of not having to choose between the two main protagonists, between Zyuganov and Yeltsin. The voters who chose Lebed because they did not want to vote for Yeltsin right away will naturally vote for Yeltsin in the second round. Those voters who chose Lebed because they did not want to vote right away for Zyuganov will naturally vote for Zyuganov in the second round. The voters who chose Lebed because they did not want to vote for either Yeltsin or Zyuganov in this situation will most likely give in to Lebed because he has received autonomy, effectiveness and results, the possibility to act, and killed seven [who were dismissed] in one fell blow at the very outset. He removed generals and carried out dismissals, and so on and so forth.

[Lobkov] Will Lebed closeness to the president change the minds of these people?

[Bunin] There is such a category of people. specialists concentrating on certain groups have told me that some portraits of Lebed, for instance in Rostov or in other towns, have the word traitor written over them. These people who voted for him because they did not want to vote for one candidate and would stay with Lebed may go and vote for Zyuganov just out of spite, on that principle. That category is quite a small one, but it is possible. On the whole, the electorate of Lebed is closer to Yeltsin, not by much, than to Zyuganov. I think that the figures quoted by Levada and the VTsIOM poll are close to the truth.

[Lobkov] Your forecasts for the first round were closest to reality.

[Bunin] I was not the only one — so were the Public Opinion Foundation, the VTsIOM.

[Lobkov] What do you predict? What will be the results in exactly one week's time?

[Bunin] At present it is not possible to give a precise prediction. I can only say that it depends on the turnout. If the turnout is equal to the turnout of 16 June, Yeltsin will win by a very large margin. If the turnout is equal to 64 percent, which is the most likely turnout, he will win by a small margin of 3 to 5 percent. If the turnout falls to 62 percent he will lose.

[Lobkov] Thank you for taking part in our program.

Russia: 'Flash Poll' Conducted on Attitudes Toward Yeltsin, Lebed

MK2706112896 Moscow KURANTY in Russian 26 Jun 96 p 2

[Report by Oleg Savelyev: "What We Think About Yeltsin and Lebed Alliance"]

[FBIS Translated Text] The following answers (in percentages) were received from 1,501 residents of the

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capital during a flash poll by the All-Russia Center for the Study of Public Opinion (VTsIOM) on 22-24 June 1996.

"What is your attitude to a tentative alliance between Boris Yeltsin and Aleksandr Lebed?"

Absolutely or rather positive	67
Rather or sharply negative	16
Hard to say	17

"Do you think Aleksandr Lebed will be able to solve the problems he is ready to tackle — the problem of crime, embezzlement of public funds, armed conflicts along Russia's borders, etc. — by using the powers given to him by Yeltsin?"

He will, certainly or rather likely	57
He will not, rather likely or certainly	31
Hard to say	12

"What did recent events do to Yeltsin's position as Russian president and his chances of reelection?"

Considerably or somewhat improved them	55
Left unchanged	25
Somewhat or considerably weakened them	9
Hard to say	11

Russia: Polls Look at Disposition of Lebed's Voters in 2d Round

MK2706114896 Moscow KOMMERSANT-DAILY in Russian 27 Jun 96 p 3

[Report by Andrey Fedorov, Andrey Okunev, Denis Demkin: "Sociologists Propose, Voters Dispose"]

[FBIS Translated Text] Pollsters in the provinces do not have fewer problems before the second round. Shortly before 16 June they had to figure out the chances of at least five main contenders. Now the task is to figure out for whom those voters who backed the candidates who did not make it to the second round will cast their ballots, and primarily for those of Aleksandr Lebed, who got 11 million votes in the first round.

The general's electorate in Samara appears, perhaps, to be the most "pro-Yeltsin". Yevgeniy Molevich, head of the political science and sociology department of Samara State University, says that the CPRF [Communist Party of the Russian Federation] leader will get the support of only a fifth of the oblast voters who voted for Lebed on 16 June. Molevich thinks that all who are behind the new Security Council secretary can be roughly put into two groups: The first one is the electorate that took shape in the course of the December State Duma election campaign; these people reject Zyuganov, but their vision of reforms somewhat differs from the official view. The second one, whose formation was completed during the last weeks of the current presidential race, consists of small- and medium-caliber businessmen: they are attracted by the general's anti-bureaucracy ardor and the provisions of his economic platform that appear to be rather liberal. And according to the Samara sociologists' data, the Communist leader should hardly count on support from the local Zhirinovskiyites either: according to polls, as few as from 18 to 20 percent of them are prepared to cast their ballots for Zyuganov. Notably, the loyal Zhirinovskiyites are clearly displeased by the LDPR [Liberal Democratic Party of Russia] leader's contacts with the chief Russian Communist.

A similar situation is taking shape in Volgograd Oblast. The first round there was remarkable for Lebed's winning a convincing second place in such major industrial centers as Vologda and Cherepovets, where in each he picked up 25 percent. Since, as a poll conducted on 16 June showed, the proportion of the general's supporters in the oblast who are going to vote in the second round for Yeltsin over Zyuganov is roughly 2 to 1, local sociologists forecast a confident victory for the incumbent president in the oblast.

At the same time, analysts think that the general's admirers in Maritime Kray, whose inhabitants backed Yeltsin in the first round — something unanticipated by many pollsters — are much less pro-reform. According to Igor Sanachev, associate professor of the politics and law department of Maritime State Technical University [DVGTU], between a half to two thirds of Lebed's electorate will vote for the rival of the current head of state on 3 July. It is true, though, that DVGTU scholars think this is unlikely to affect the end result: according to surveys, more than 60 percent of the voters are ready to vote for Yeltsin, and a little more than 20 percent for Zyuganov.

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But then, all will become clear after the elections.

Russia: Poll Shows 51 Percent for Yeltsin; 'No Surprises' Expected

MM2706154996 Moscow ROSSIYSKAYA GAZETA Weekend Edition in Russian 28 Jun 96 p 2

[Report by Andrey Shcherbakov under the "Forecasts of the Week" rubric: "No Surprises in Second Round"]

[FBIS Translated Text] That was the conclusion reached by the authors of a poll of voters carried out by the Sociology Center of the Russian Civil Service Academy Under the Russian Federation President immediately after the results of the first round of the presidential elections had been summed up.

The center's specialists conducted a poll of 3,962 people 20-23 June in 22 regions of the Russian Federation, with proportional representation of the main social, professional, and demographic population groups — both urban and rural. According to the poll data, 96 percent of our fellow citizens knew about the results of the first round of voting and 84 percent believe the counting of the results of voting was honest. Some 90 percent of respondents stated that they had voted conscientiously, according to their own convictions. More than 70 percent stressed that they are interested in the second round of the presidential elections and intend to take part.

In reply to the question "Whom will you vote for in the second round?" 51 percent of the participants in the poll named Boris Yeltsin, and 28 percent Gennadiy Zyuganov. In the opinion of the center's specialists, the data obtained correspond to the same question posed in April.

The figures on the sentiments of those voters who voted in the first round for Yavlinskiy, Lebed, and Zhirinovskiy are very interesting. Thus, 49 percent of the "Yabloko" leader's supporters and 44 percent of those who voted for Lebed intend to give Yeltsin their votes in the second round. A significant proportion of the rest intend either to vote against everyone or to ignore the second round entirely. But the main part of Zhirinovskiy's electorate intends to give preference to Gennadiy Zyuganov in the second round.

The sociologists of the Russian Civil Service Academy Under the Russian Federation President believe that there is no reason to expect any surprises in the second round. Some 76 percent of respondents stated that they have already made their final decision on who to vote for, and only 14 percent are experiencing some doubt.

Russia: Government Promises Financing of Election's Second Round

LD2806083996 Moscow INTERFAX in English 0733 GMT 28 Jun 96

[FBIS Transcribed Text] MOSCOW, June 28 (Interfax) — The Russian government has assured the Central Electoral Commission it will provide for full financing of the second round of presidential elections, sources at the Central Electoral Commission told Interfax Friday.

The Commission has received 252 billion rubles for the second round of elections. All in all, it will need 400 billion rubles.

The government is doing its best to find another 150 billion in the next few days, said the sources.

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CIS: ITAR-TASS Carries Press Review for 28 Jun

LD2806053796 Moscow ITAR-TASS in English 0526 GMT 28 Jun 96

["Press Review" — ITAR-TASS headline]

[FBIS Transcribed Text] MOSCOW June 28 (Itar-Tass) — Follows a review of Friday's Moscow-based Russian newspapers dated June 28. The press highlight the appeal by Russian President Boris Yeltsin to that proportion of the electorate who voted for Geannadiy Zyuganov in the first round of presidential elections.

ROSSIYSKIYE VESTI on the transformation of the Public Chamber into a Political Consultative Council (PCC).

Under the banner headline "Boris Yeltsin is ready for dialogue and cooperation with all those who prioritise the destiny of Russia", the newspaper, close to presidential circles, runs articles about the presidential election runoff.

"The transformation of the Public Chamber to the President of the Russian Federation into a Political Consultative Council to the Head of State has been prompted by a desire to broaden the representation of all social groups and to take into account the interests of all political parties and movements," the newspaper writes.

According to Ivan Rybkin, who has been appointed the PCC Chairman, the new consultative council to the President will become a kind of "ante-Parliament" for the public to scrutinise the most important Bills.

ROSSIYSKIYE VESTI writes that the leader of the "people's-patriotic bloc", utters threats to Federeal television channels' chiefs, alleging that television through its electioneering campaign "stirs up a civil war".

ROSSIYSKAYA GAZETA on the problem of political plagiarism.

"By choosing authorities, we opt for our destiny" is the leading idea of articles published in the newspaper under the rubric "Man and society".

Andrey Pashutin devotes his article to the problems of political plagiarism, i.e the use of ideas put forwards by both the opponents of the Yeltsin regime and by the presidential team itself.

IZVESTIYA, under the pre-poll rubric "if you do not go to the polls — you will prove a loser", describes why a 19-year-old Moscow girl named Yulia frequents McDonald's and is unwilling to go to the polls.

The nespaper's own correspondent in Kiev, Yanina Sokolovskaya, writes about the "failure of Ukrainian privatisation and a rather cool attitude of the population towards privatisation vouchers". Over the four years of the privatisaiton campaign, only a quarter of the coutnry's people have exercised their "ownership right". There are practically no enterprises which would pay substantial dividends, Sokolovskaya emphasises.

KOMSOMOLSKAYA PRAVDA on the disappearance of Alla Dudayeva, the widow of the former president of Chechnya.

"Where did the widow of Dudayev disappear? What is behind this: the plays of special services or Alla's own game?" the newspaper asks in its healdine.

Just as she appeared, Alla Dudayeva disappeared all of a sudden. And not only to journalists, with whom she intended to meet, butalso to her own father. For two weeks, Fyodor Kulikov has been overcome by anxiety. His daughter for some reason does not let anyone to hear from her up to now.

RABOCHAYA TRIBUNA on the national security problem.

Zinoviy Pak, Minister of the Defence Infdustry, shares his thoughts about the problem of Russia's national security, "which is in need of guarantees".

"For the time being, the level of technology and armament make it possible to ensure national security guarantees. But the necessity is already ripe to replenish those types of armaments, the prescribes service length of which is about to end," Pak told the newspaper. His opinion is that with this end in view it is essential to increase the State-placed order, primarily for experimental design and research development efforts.

ROSSIYSKAYA GAZETA on an Education Ministry report sent abroad and containing compromising data.

Viktoria Molodtsova relates a scandalous story of how Education Ministry officials sent a report, containing compromising data, abroad. The explanation is quite simple: they were paid hard currency for the compromising data, the writer of the article points out.

ROSSIYSKAYA GAZETA on a smell expert study procedure.

The newspaper's commentator Tatyana Korupayeva reports from the Russian Interior Ministry's Criminology Expert Centre which has worked out a unique procedure by means of which an expert study of smells is carried out. Each crime has its own characteristic smell, the journalist maintains.

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Russia: Election Seen as 'Emotional Backdrop' to G-7 Summit

MM2706145996 Moscow ROSSIYSKAYA GAZETA Weekend Edition in Russian 28 Jun 96 p 2

[Report by Mikhail Shchipanov: "View of Moscow From Lyon"]

[FBIS Translated Text] Russian Prime Minister Viktor Chernomyrdin arrives in the French city of Lyon today to stand in for President Yeltsin at the "G-7" summit.

Over the past few days Russia's developing relations with the most prestigious world club have been one of the axes of world policy. It is no accident that Russia is already to all intents and purposes considered the eighth member of this organization of the world's leading economic powers that was set up on the initiative of French President Valery Giscard d'Estaing. And it is no disaster that so far these relations have been mainly developing faster in the political rather than the economic sphere. Russia is already the de-facto eighth member of the "club," and therefore its fate is bound up increasingly closely with the fates of the other strong countries of the world.

That is why people in Lyon have been understanding about the fact that this time the Russian president has put the last lap of the highly difficult Kremlin race — where Russia's future is at stake — ahead of this most important forum, participation in which we value. As ever, the summit will make recommendations (and its decisions are exclusively recommendations) on a whole series of global problems. But electoral expectations in Russia will undoubtedly form the emotional backdrop.

It is no secret that the leaders of the major world powers have made their choice. And not even in favor of Boris Nikolayevich specifically, but of the policy of further liberalizing Russia in both the political and economic spheres. It is the universal nature of development principles rather than just Russia's natural wealth and world influence that are the basis of our further integration into the club of the world's leading powers. That is why it will be impossible for G. Zyuganov to immediately sit down alongside Kohl, Major, Chirac, and Clinton.

Incidentally, our presidential team already has experience of collective international support. The CIS heads of state were first to express their interest in Yeltsin gaining a second presidential mandate. Back then the Communists attempted to present this act as interference in Russia's internal affairs — as if they themselves had not hysterically called for the lands of the former Union to be reassembled.

At the same time, it is obvious that world leaders, who have repeatedly reserved judgment on the situation in Russia, will this time prefer to set forth their views on the second round of our election with the utmost precision so as not to spook certain people in the Duma. But what is now far more important for Russia is the promises of support for our restructuring economy which have already been made for after the inauguration of Russian president. Serious people do not like to make a big fuss, rallies are not for them!

Russia: Election Showing Weakens Yeltsin's G-7 Status

MM2706133296 Moscow PRAVDA in Russian 27 Jun 96 pp 1,3

[Commentary by Viktor Trushkov: "President Hands in His Ticket to Lyon. Kremlin Reshuffle Viewed Against Background of G-7 Meeting"]

[FBIS Translated Text] Storm clouds are gathering over the country. No, not because of the palace reshuffle. Did the Russia of serfdom feel any change when Catherine II replaced her favorite? Indeed not! The generals who have fallen into disgrace were not burdened with the cares of an impoverished people either. But Yeltsin's lack of faith in his faithful servants has been a constant factor of his political career. Once again the lords are fighting. So why are the serfs showing such an unusually great concern to tug the forelock? I think this is because international, class, intraclass, interethnic, and regional ambitions have become too tightly intertwined with the ambitions of pretentious Russian politicians. With all the talk about personnel reshuffles in the Kremlin our political analysts somehow forgot about Lyon. Yet this G-7 meeting was intended among other things if not to fete B.N. Yeltsin then at least to give public support to a man who had all but scaled the electoral "commanding heights." In Lyon people expected the ceremonial enlargement of the G-7 into the G-8. Now that the official results of round one of the Russian election are known, the big seven not only have no reason for haste, it would even be risky for them to do so. Now they are prepared to tolerate and even cooperate with Zyuganov's Russia — there have been plenty of hints, official and unofficial, about that — but as for tolerating Zyuganov's presence during the discussion of the secrets of the economic diktat of the world — that is going too far.

Let us note here that recently there have been a series of telephone conversations between B. Yeltsin and his Western "colleagues." By all accounts they explained diplomatically to Boris Nikolayevich that his place in the "7+1" formula in Lyon is still "after the plus sign"

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and that sometimes when discussions are in progress he would have to be "asked to leave" — such as when confidential Western questions are being discussed. That is why the Russian president "decided to stay home." And probably not so that the honor of signing the document on Russia's recognition as a full-fledged member of the club of the "all-powerful masters of the world" should be handed to V. Chernomyrdin....

The alteration (clearly enforced) to the Russian part of the script of the Lyon meeting seriously alarmed the country's ruling elite — both the political elite and the comprador economic elite. So it had to prove — after the first round of the presidential election! — that it can extend the stay of the "democrats" in the Kremlin and at the same time remain faithful to the direction of domestic or foreign economic policy. Even if Yeltsin wins by just 1 percent in July. Both the president and the moneybags were equally interested in demonstrating that fact. So it was necessary to choose an effective means of expressing loyalty to a pro-Western policy.

Victory in round one, such as the president injudiciously predicted for four months right until the moment that he placed his own ballot paper in the box on 16 June, could have been a powerful trump card. But he received almost the same number of votes as Zyuganov, so the ace proved to be nothing more than a six. There could not even be a hint of economic methods of demonstrating a commitment to "world civilization:" You cannot organize a new Russian clearance sale on the eve of elections, and the Kremlin ran out of other instruments long ago.

There is only one option left — the reshuffle option. And this was what Moscow did. First of all there was a preelection ploy: Lebed threw Grachev out of the ministerial nest. The army general is unpopular in his own country and is not even greatly liked abroad: In NATO's view he has a low obedience rating. It cannot be ruled out, of course, that the storms of criticism directed at him by the democrats originated overseas. The other personnel moves were prompted by the first round results.

Despite all the talk today about the "victory of democracy" and no matter how hard people try to juggle the votes, the actual result of the 16 June election not only showed Yeltsin's unpopularity in the country. It also revealed that the Kremlin's chosen propaganda techniques are less effective than their "design" rating. In round one Yeltsin donned the mantle of "president of all the Russians" while at the same time, admittedly, keenly playing the anti-Communist card. To create a new image he issued over 300 edicts in the space of four months tempting the voter with cheese in the electoral mousetrap. In his honor they sang and danced "from great Moscow to the farthest border," and in exchange for "greenbacks," it seems, not "on a voluntary basis," as the pro-president mass media have been saying. The patriotic theme was evident in the president's own rhetoric. And the heads of administrations were appointed "commanders of the ballot boxes" to ensure accuracy. But the result...

B.N. Yeltsin polled over 50 percent of the vote in only nine of the 89 components of the federation. Including in Tuva, Yakutia, the Komi-Permyak Okrug, and Taymyr, where in all 1.08 percent of the electorate live. The incumbent president achieved real success in six regions — in Moscow (61.7 percent), St. Petersburg (49.8 percent), Sverdlovsk and Perm Oblasts (60.1 percent and 56.1 percent respectively), and the Khanty-Mansiysk and Yamalo-Nenets Autonomous Okrugs (53.2 percent and 56.0 percent respectively). They gave Yeltsin almost one-third of his votes. In the rest of Russia the incumbent president polled on average 28 percent of the vote.

It was the big, that is, progressive cities which supported this deception allegedly for the "continuation of the reforms." G. Zyuganov was chosen by the population of one city in two with a population of more than 1 million — Novosibirsk, Omsk, Volgograd, Ufa, Rostov-na-Donu, Voronezh.... It was not the largest cities but the leading banking centers — Moscow and St. Petersburg — which voted for B. Yeltsin.

Ancient Russia voted against B. Yeltsin: the Central Industrial Region, the Central Chernozem Zone, the Volga region, the southern part of West Siberia, that is, all the regions with a stable population, a steady way of life, and clear national values.

Yeltsin received real and substantial support from those with the big bucks, enough bucks to keep the mass of the population in a state of permanent ideological intoxication, on the one hand, and enough to buy votes, on the other. Only money has proved itself to be the sole reliable instrument of B.N. Yeltsin's election campaign. Most voters did not believe in his change of slogans and propaganda stunts. This, I believe, also determined the character of the other personnel changes in the Kremlin. Especially since the personifications of big bucks serve simultaneously for the West and for Russia as a token of the Kremlin's readiness to bow to the diktat of the IMF, the World Bank, and other overseas directors.

There was distrust both in the West and among Russia's "democrats" when the occupants of the Kremlin and the White House expressed a concern for national interests. Not for a renunciation of the "policy of reforms" but for the fate of "nationally oriented" capital. In

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Russia "national capital" is objectively linked above all with the military-industrial complex. That is why the "democratic" mass media directed their fire at A. Korzhakov, M. Barsukov, O. Soskovets, N. Yegorov, and so on who were just as good as Chubays and Chernomyrdin when it came to promoting capitalism but did not disregard national interests at all.

The election result prompted the symbiosis of speculative-banking capital and raw material-export capital to conclude that the time has come for it to reign supreme on Russia's political stage. First, in the election "national" capital did not realize its interests effectively. Second, the West is urgently demanding a change of decor. At the present stage the interests of the G-7 and the Russian compradors objectively coincided. The former has a hunger, the latter, in its pursuit of the golden calf, is prepared to satisfy that hunger by continuing the destruction of the competitive high-technology but capital-intensive forms of production in our country; by allowing NATO to move right up to the Russian Federation's borders; by continuing the massive export of Russian capital, including capital of doubtful origin, which provides real Russian investments in the West five to seven times higher per year that the foreign credits allocated to Russia; by renouncing an independent foreign policy, pursuing foreign policy in the mainstream of "world civilization," reducing the defense capability, and renouncing the idea of the strong state in ideology. The coincidence of powerful forces' interests prompted action. The spectacle on the Kremlin stage was well executed. The impact was enormous. Admittedly it is not clear what the incumbent president of the Russian Federation's role is now.

Now let us look at the "dry residue." Will the election take place? This cannot be ruled out. If only because the confrontation between the branches of power will go on and now each of them would like to hide behind a legitimate president. Much also depends on the will of the second factor in these events: Does the West want the elections? It most probably does because in the West there are also two "parties," one of which believes that it is better to deal with a predictable Russia headed by G. Zyuganov than to worry endlessly over the constantly failing B. Yeltsin. Especially since 65 percent of the voters in round one withheld their trust from Yeltsin and the violence done to them makes the country unpredictable.

Russia: 'Undesirable' NATO Enlargement 'in Full Swing'

MM2706153996 Moscow IZVESTIYA in Russian 27 Jun 96 p 3

[Report by Boris Vinogradov: "NATO Salvo Against Our Diplomacy"]

[FBIS Translated Text] Boris Yeltsin's "gentleman's agreement" with the Western countries' leaders not to broach, for the time being, the painful question of NATO's eastward advance seems to have been torn up. The delicacy of the matter is clear in this instance: When declaring support for Boris Yeltsin in the presidential election in Russia, they promised "not to expedite the process."

But, judging from recent news agency reports, a process that is undesirable for Russia is in full swing, as it were. This is borne out, in particular, by Werner Fasslabend, Austrian minister of national defense, who recently visited the United States at the invitation of Defense Secretary William Perry.

He reported in an interview with the newspaper DIE PRESSE that there is a NATO decision to admit four new members — Poland, the Czech Republic, Hungary, and Slovenia — to its ranks by 1999. Such a swift and decisive rate of NATO's eastward expansion came as a surprise to Werner Fasslabend. Hitherto he believed that this was something for the next century. In Washington the Austrian guest was told confidentially that the procedure for admitting new states to NATO would be simplified appreciably after the election in Russia. This will be announced officially in the fall.

The linkage of the NATO issue with the outcome of the presidential election in Russia is appearing increasingly artificial. You get the impression that it worries only Moscow, which is preoccupied with its own domestic problems. The Austrian minister's revelations clearly came as a surprise to it at this time.

Russia has evidently reconciled itself to its role as someone "protesting uselessly" and sees no possibility of changing anything. It has to be realized that its position was defined in a statement by Yevgeniy Primakov, who said after the NATO forums held in Berlin and Brussels: "We are not in a position to prevent other members from joining NATO, but we reserve the right to take appropriate measures." It is not yet clear what kind of measures.

Experts at the Russian Ministry of Foreign Affairs believe that this "awareness of objective reality" enabled Bill Clinton to break his vow of silence. Receiving the presidents of the three Baltic countries in Washington,

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he supported them in their desire to join NATO. At the meeting in the White House the host and his guests concurred in the opinion that NATO's expansion is "a key element of European integration."

To cap it all, Kiev and Warsaw have rubbed salt into Russia's wounds. On the very day in question Leonid Kuchma, paying a visit to Poland, and Aleksander Kwasniewski signed a joint declaration. The two presidents are solid on "the question of NATO expansion."

Russia: U.S. Measures To Combat Russian Sex Threat Viewed

MK2706114396 Moscow KOMMERSANT-DAILY in Russian 27 Jun 96 p 4

[Report by Georgiy Bovt under the "Intimacy in Diplomacy" rubric: "You May Be in Love If You Wish, But Don't Lose Your Head"]

[FBIS Translated Text] American diplomats and embassy personnel in Moscow have once again been restricted in their right to fall in love or even simply to have intimate relationships with Russian nationals. Or, to be more precise, this appears to be allowed, but you will have to report it afterward. This is the gist of a new notice circulated in the embassy.

Directive No. 224 of 7 June 1996, a copy of which has been obtained by The Times in London, is a masterpiece of bureaucratic speak. It stipulates: "Under the directive of the U.S. Department of State, the Department of State has broadened the area of applying special contact reporting policy, which provides for the mandatory reporting of any romantic and sexually intimate relationship with a foreign national from a country which poses an exceptional intelligence threat to the U.S. Russia falls under this category." The rules apply to both military and civilian employees of the U.S. diplomatic mission.

Evidently, the Americans are beginning to fear lest Foreign Intelligence Service [SVR] agents, who have already demonstrated their prowess by catching as many as seven British spies in May, should slip into U.S. diplomats' beds. Yet, on the other hand, the "wholesale deportation" of British diplomats had nothing to do with a "romantic or sexually intimate relationship" with the Russian national, a male, who was arrested in connection with this deportation. Furthermore, the British embassy still does not intend to reconsider its more liberal policy compared to the more "frigid" era of the "Cold War"; according to a high-ranking British diplomat: "We even encourage our employees' contacts with Russians. Of course, we follow common sense, and these contacts should not remain secret. But it is not like it was before. Several serving diplomats have married Russians, but nothing terrible has happened." Yet they are British. U.S. Ambassador Thomas Pickering, for his part, will now have to revise the recent rule, which was introduced precisely under him, somewhat easing restrictions concerning "sexually intimate relationships." So much for the concessions. That is to say, one may, of course, have such relationships, but afterward he or she will have to report them in detail.

In connection with the cruelty of the U.S. bureaucracy, the British paper recalled the KGB's — fairly successful — former attempts to play on human weakness. As many as two ambassadors have been caught in "sex" traps: Sir Geoffrey Harrison had to leave for London prematurely after relationships compromising him had been revealed. This also turned out to have been a weak spot of a French ambassador of the De Gaulle era. The U.S. embassy's loudest scandal involved Sergeant Clayton Lonetree, a U.S. Marine, who was even jailed for his relationship with a KGB-planted Soviet beauty in 1984-1986; he was released only about a week ago.

It is not quite clear why the U.S. Department of State should have become so excited precisely at this stage. Presumably this has something to do with the exciting political situation in Russia on the eve of the election. It only remains to hope that if Zyuganov loses the election after all, then the State Department's sexual concern might subside somewhat.

Russia: Serb Official: Moscow's Karadzic Stance Not To Affect Ties

LD2806083496 Moscow INTERFAX in English 0809 GMT 28 Jun 96

[FBIS Transcribed Text] MOSCOW, June 28 (Interfax) — Moscow's stance favoring withdrawal of Bosnian Serb leader Radovan Karadzic from the political scene will not affect the Serb Republic's determination to have friendly mutually-beneficial relations with Russia, director of the humanitarian cultural and information center of the Serb Republic, the diplomatic mission, Todor Dutina told Interfax Friday. [sentence as received]

"The Serb Republic remains the only lasting ally of Russia in the Balkans despite all the misunderstandings, past and future events," he said.

"It is very difficult with Russia, but it is impossible without it," said Dutina. "We hope Russia will take an active part in restorations of both the Serb Republic and all of Bosnia and Herzegovina."

Bosnian Serb leaders have asked Russia for help and cooperation, including in construction, power engineering and joint ventures.

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Dutina thinks that Russian support for Karadzic's withdrawal from the political scene may be explained by its limited opportunities.

"Russian diplomacy, certainly, understands the injustice and farfetchedness of the fuss around President of the Serb Republic Karadzic. But Moscow is simply unable to do anything about it," said the Bosnian Serb politician.

Commenting on a congress of the Bosnian Serb Democratic Party to open Friday, expected to nominate Karadzic as a presidential candidate and hear his immediate refusal to accept the nomination, Dutina said "I would not say anything extraordinary will happen Friday, but anyway we will balance our interests and the requirements of the international community."

Several days ago Belgrade produced "a new ultimatum to the Serb Republic and threatened countermeasures if the republic does not dismiss Karadzic."

"We are not isolated from the outside world, and have to reckon with circumstances," said Dutina.

Asked whether Karadzic may leave the political scene, he said "everything is possible."

Russia: Lebed Admits Kuril Problem, Offers 'No Answer Yet'

LD2706114696 Moscow ITAR-TASS in English 1107 GMT 27 Jun 96

[By Andrey Surzhanskiy and Andrey Varlamov]

[FBIS Transcribed Text] MOSCOW June 27 (Itar-Tass) — New Russian security supremo Aleksandr Lebed admitted that there is a territorial dispute with Japan over four Kuril islands, but made it clear that he had no answer yet on how to resolve it.

"The problem exists, but the answer to the question how to solve it demands a very thorough analysis of all proposals, including the analysis of the understanding of the problem by the Japanese side", Lebed told Tass on Thursday.

"Only after that anything definite can be said", he added.

Russian Foreign minister Yevgeniy Primakov recently outlined his position on the Kuril dispute causing protests from Tokyo.

Speaking on foreign policy guidelines last week he said the problem should be left to be resolved by future generations.

"I believe that everything would depend on whether the Japanese side realises that the solution of the territorial problem cannot take place either on the platform proposed by the Japanese side or on the platform proposed by us. Therefore one of my first statements was that we could have turned to the experience which the Japanese themselves used in relations with China. The Chinese proposed to leave the dispute (over Senkaku islands) to future generations", he said.

Tokyo reacted quickly and its high-ranking foreign ministry official told Tass that the Japanese government was convinced that the territorial dispute with Russia had to be resolved by the current generation.

Russia: Lukin Critical of Baltic Policies, Clinton Statement

WS2806083196 Tallinn BNS in English 1640 GMT 27 Jun 96

[FBIS Transcribed Text] Strasbourg, Jun 27, BNS — Baltic states will not be admitted to NATO and must look for ways to guarantee their security together with Russia, Russian Duma foreign affairs committee chairman Vladimir Lukin said in Strasbourg Thursday.

"The statement by U.S. president Bill Clinton was part of his presidential election campaign," Lukin told Estonian journalists observing the Council of Europe Parliamentary Assembly (PACE) session.

Lukin, who has earlier served as ambassador to Washington, said Clinton's statement had been intended to win the support of Baltic expatriates in the United States. "It has little importance on the englargement of NATO," he added.

The Baltic states, Lukin said, must find their security model in cooperation with Russia. "Estonia is concerned about the strengthning of Russian units in the Pskov Region, and Russia about the expansion of NATO — we should be looking for a compromise to the problems at joint talks," Lukin said.

Lukin said that if there was a desire, Estonia, Latvia and Lithuania could have a choice of various agreements to guarantee their security. "One of them could be conclusion of a new conventional forces in Europe treaty," the Russian Duma foreign affairs committee chairman said.

Lukin said that Moscow supported the Baltic countries' independence and was prepared to sign multilateral agreements to confirm it. "Western statements about the expansion of security organizations are hypocritical, because they're not going to go to war for the Baltic states," Lukin said.

Commenting on Russian presidential elections Lukin said the chances of the incumbent Boris Yeltsin were

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good, adding that Yeltsin's victory would not bring significant changes in the Russian foreign policy.

Lukin in Strasbourg criticized those Russian politicians who were trying to earn cheap popularity by attacking the Baltic countries. At the same time, he was unable to refrain from attacking the Baltic countries himself and asserted that human rights were being violated in Estonia.

A member of Our Home is Russia, Russian Federation Council foreign affairs committee chairman, Vasily Desyatnikov, told BNS that he hoped improvement of Baltic-Russian relations was only a matter of time. "This is what Yeltsin's politics are based on," Desyatnikov said.

Lukin said he was surprised why Estonia had not signed a joint Latvian and Lithuanian statement concerning revision of the Conventional Forces in Europe treaty which allows Russia to deploy more heavy weapons along the border with the Baltic states. "Obviously the wording of the statement was not sharp enough for Estonia," Lukin said.

Head of the Estonian delegation, Kristiina Ojuland, motivated her refusal to acceed to the statement by saying the Council of Europe was not the right place to discuss military issues.

Russia: Spokesman Denies Russian Military Threat to Baltic States

LD2806103996 Moscow ITAR-TASS in English 1013 GMT 28 Jun 96

[By Anatoliy Yurkin]

[FBIS Transcribed Text] MOSCOW, June 28 (Itar-Tass) — Vladimir Nikishin, spokesman for the General Staff of the Russian Armed Forces, waived as groundless the alarm sounded by the press of the Baltic states in connection with the deployment of Russian armour in Pskov Region.

Asked by Itar-Tass to comment on these publications, which lately appeared in several Baltic news papers, Nikishin stressed that Russia was strictly adhering to all the articles of the Treaty on Conventional Armed Forces in Europe, and that the deployment of its troops in the European part of the country was dictated by the need to ensure the country's national security.

"The provisions of the foregoing treaty, relating to flank limitations, discriminate Russia," he noted. The situation has cardinally changed since November 19, 1990, when this document was signed in Paris: the Soviet Union has collapsed and the Warsaw Treaty Organisation has disappeared. This explains Russia's desire to adapt the Treaty to the new conditions.

The Russian delegation in the Vienna Joint Consultative Group has submitted an official proposal to suspend the action of Article 5 of the Treaty pertaining to flank limitations. The June meeting of the aforesaid group agreed to slightly alleviate these requirements. It agreed with Russia's proposals to leave its military potential on the flanks of the European part of the country in proportions sufficient to ensure the country's national security.

This decision triggered differing reactions in the countries of the Baltic region, where some means of mass information have raised a hullabaloo concerning the presence of "heavy weaponry in Pskov Region". "Deployed in Pskov Region, just as in the other northwestern regions of the country, are units that are necessary to ensure Russia's security. They are engaged in military training and are not threatening any Baltic state. Their armaments correspond both as regards quantity and characteristics to the requirements of the Treaty on Conventional Armaments in Europe. Therefore, all threat allegations can be regarded as vestiges of the 'cold war'," Nikishin stated.

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Political Issues

Russia: Yeltsin Orders New Structural Plan for Government

LD2706115396 Moscow INTERFAX in English 1135 GMT 27 Jun 96

[FBIS Transcribed Text] MOSCOW, June 27 (Interfax) — Russian President Boris Yeltsin commissioned the Russian government to submit a state report on forming a new structure and composition of the Russian Cabinet of Ministers and other federal executive branch organs to the president after the second round of presidential elections, Prime Minister Viktor Chernomyrdin said Thursday addressing a session of the government commission on reforming federal executive branch organs.

According to Chernomyrdin, the new composition of the government "will focus on social and financial-economic package of issues" to be monitored by Russia's first deputy prime ministers.

It is also necessary "to strengthen the legal component in the government's activity," Chernomyrdin said. The main burden will be placed on the Justice Ministry. Participants of the session put forward several proposals to include reformers-professionals, who received voters' support at the elections, into the composition of the Russian Cabinet of Ministers.

Russia: Yeltsin Edict, Commentary on Political Consultative Council

MM2806090196 Moscow ROSSIYSKAYA GAZETA Weekend Edition in Russian 28 Jun 96 p 3

[Russian Federation Presidential Edict No. 989 "On the Political Consultative Council," signed by Russian Federation President B. Yeltsin in Moscow on 25 June 1996, followed by unattributed "Our Commentary" under the heading: "Ivan Rybkin To Head Council"]

[FBIS Translated Text] In accordance with the proposal of a number of political parties and movements on improving cooperation between federal organs of state power in creating a legal base for economic and political reforms and enlisting broad public circles in this process I decree that:

1. The Russian Federation Presidential Public Chamber is hereby transformed into the Political Consultative Council (hereinafter the PCC).

2. Political parties and movements with factions in the Russian Federation Federal Assembly State Duma, as well as the political parties and movements which failed to obtain deputies' seats in the Russian Federation Federal Assembly State Duma as a result of the election, are to be asked to join the PCC as a priority.

3. The appended Statute on the Political Consultative Council (Footnote) (Not published in ROSSIYSKAYA GAZETA) is hereby approved.

4. The people behind the creation of the PCC are to be asked to submit within two weeks proposals regarding candidacies for the PCC's chairman and deputy chairmen.

5. The Russian Federation President's Main Administration for Questions of Constitutional Guarantees of Citizens' Rights is to be made responsible for providing support for the PCC's activity.

It is hereby laid down that the deputy chief of the Russian Federation Presidential Staff and chief of the Russian Federation Presidential Main Administration for Questions of Constitutional Guarantees of Citizens' Rights is to perform the functions of PCC secretary.

6. It is hereby laid down that the PCC's scientific base is the Russian Federation Presidential State Service Academy, the Russian Academy of Sciences Institute of State and Law, and the Russian Federation Government Institute of Legislation and Comparative Jurisprudence.

7. Russian Federation Presidential Directive No. 78 of 16 February 1994 "On the Russian Federation Presidential Public Chamber" (SOBRANIYE AKTOV PREZIDENTA I PRAVITELSTVA ROSSIYSKOY FEDERATSII, 1994, No. 8, p 592) is hereby deemed no longer valid.

[Signed] Russian Federation President B. Yeltsin
[Dated] The Kremlin, Moscow 25 June 1996

Our Commentary: Ivan Rybkin To Head Council

A number of political parties and movements which took part in the 1995 State Duma election but were unable to get over the 5-percent hurdle came up with the initiative for the creation of the PCC. They polled 49 percent of the votes in all, but, owing to the imperfect nature of legislation, the interests of almost half of Russia's voters who voted for these parties are not represented in the current State Duma. The formation of the PCC is linked with the idea of creating a democratic majority in the State Duma. Thus, unlike the actions of Communist Party of the Russian Federation leader Gennadiy Zyuganov, who is suggesting the idea of national accord to his supporters alone, it is a question of creating a specific mechanism to coordinate various interests.

According to the Statute on the PCC, its main functions are to conduct political consultations on a wide range of socially significant issues and discuss draft presidential and government decisions on highly important social,

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economic, and political issues on the Russian Federation president's instructions.

The Russian Federation president as the guarantor of the Constitution is not changing parliament's structure and functions. He sees the council as having the functions of a pre-parliament, that is, making expert assessments of draft laws and various normative acts. Thus, the council will engage in public rather than legislative activity. The State Service Academy, the Institute of Legislation and Comparative Jurisprudence, and other scientific organizations will provide the PCC with help in the expert appraisal of legislation.

It became known at the last minute before this issue was signed to press that Boris Yeltsin had appointed former State Duma speaker Ivan Rybkin chairman of the PCC.

The concept for the Russian president's PCC is to be far broader than that of its predecessor, the head of state's Public Chamber, Ivan Rybkin said. In an exclusive interview with an ITAR-TASS correspondent he said that "coordinated interests of various public forces and social population groups should be clearly and distinctly represented in the PCC."

Ivan Rybkin explained that the PCC should include representatives of various parties and movements, whose recommendations should without fail be reflected in the Russian president's edicts and decisions.

Yesterday President B. Yeltsin met with I. Rybkin.

Russia: Chernomyrdin Denies IZVESTIYA Report on Upcoming Reshuffle

LD2806092296 Moscow ITAR-TASS in English 0905 GMT 28 Jun 96

[FBIS Transcribed Text] MOSCOW June 28 (Itar-Tass) — Prime Minister Viktor Chernomyrdin denied media reports about an upcoming major government reshuffle saying the issue "had not been raised or discussed".

Such reports "have no grounds behind them", he told Tass on Friday.

The "IZVESTIYA" newspaper quoted "informed sources" on Friday as saying that, following the dismissal of First Deputy Premier Oleg Soskovets, three other deputy premiers would have to go — Aleksandr Zaveryukha who is responsible for agriculture, Oleg Davydov who is responsible for foreign trade, and Yuriy Yarov who has several duties ranging from fighting illegal drugs to supplies to remote northern regions.

The newspaper said President Boris Yeltsin needs to have free portfolios to offer to his political partners on the eve of the July 3 runoff.

It also listed the ministers who are likely to be dismissed: Railway minister Gennadiy Fadeyev, Metallurgy Minister Serafim Afonin, Machine-Building Industry Minister Anatoliy Ogurtsov, Labour minister Gennadiy Melikyan and Social Protection Minister Lyudmila Bezlepkina.

The newspaper said the fate of Economics Minister Yevgeniy Yasin and Finance minister Vladimir Panskov was also unclear.

In response Chernomyrdin said he was "indignant" over the "irresponsibility of the authors who allow themselves to speculate on issues concerning the fate of major state officials and department heads without any grounds for that".

Russia: Chernomyrdin on Possible Inclusion of Communists in Cabinet

LD2706200496 Moscow INTERFAX in English 1638 GMT 27 Jun 96

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] [no dateline as received] Prime Minister Viktor Chernomyrdin has not ruled out the possibility of inviting politicians from different parties, including Communists, to the government.

Asked a member of what political group which backed President Boris Yeltsin after the first round of elections can join the cabinet Chernomyrdin said: "Any, if only he is a professional." He added that some Communists can be invited to the government.

He named as an example Justice Minister Valentin Kovalev who was a Communist Party member at the time of receiving his post. "I no longer think of him as a Communist. I only regard him as Justice Minister," Chernomyrdin said that in the past "all of us were Communists." IF note: Meanwhile, on Thursday Kovalev criticized the suggestion of the Communist leader Gennadiy Zyuganov to form a so- called State Council. At a Moscow news conference he called the suggested body unconstitutional, unelected and unaccountable, if its existence is permitted in the form suggested by the opposition. According to Kovalev, such a body in the structure of government is dangerous for law enforcement in Russia, "especially as it wants to assume control functions over the government."

At a session of a government commission for reforming federal executive bodies in Moscow Chernomyrdin said the government will report to the head of state after the runoff elections on the formation of a new structure and composition of the cabinet and other federal executive bodies.

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He said the government structure will be simplified, steps will be taken to remove redundant functions, a transition is planned from the industrial principle of managing the economy to functional.

Chernomyrdin said the current system of executive bodies consists of some 90 ministries and federal agencies. On the whole it operates effectively, but introduced two and a half years ago it requires change in the light of the new tasks facing the country and its economy. In Chernomyrdin's opinion the structure of executive bodies should take into account such processes as the signs of economic revival, the expansion of the economic and social rights of the individual and the revival of investment process.

Chernomyrdin also said the independence of territorial and federal executive bodies must be guaranteed which is his opinion is absolutely vital.

He did not specify the exact number of necessary federal bodies but said it stems from the effective solution of the tasks facing the nation.

He felt the new cabinet will focuss on social and economic matters which first deputy prime ministers are expected to control. He also found it necessary to strengthen the legal component in the work of the government. According to the prime-minister, the emphasis in this sphere will be on the Ministry of Justice.

Other speakers suggested including in the cabinet reform-minded professionals who won popular support in the elections.

Russia: Lebed Outlines Policies on Economy, Regions

MM2806112396 Moscow TRUD in Russian 28 Jun 96 p 8

[Article by Aleksandr Lebed: "I Know What I Am Doing, I Know How To Do It. The Election Is Over for Me, I Did Not Become President, but I Made My Choice"]

[FBIS Translated Text] Because I have criticized both the current president and his entourage, does it mean I am obliged to go into opposition? Nowadays opposition (preferably to everything going) is the most fashionable, the most advantageous option. It is lucrative and safe: You can babble on to your heart's content. But that is not for me. While all the babbling is going on Russia could go down the drain. History teaches that political windbags do no good in the end. Today, in order to save Russia, we need to act. Any delay is fatal. Therefore, at the meeting with the president, I said I wanted to do what I would have done if I had been elected president: establish order in the country. He agreed. Now I can and will work.

The program I presented at the election I can now in large part implement. My program contains a number of propositions that coincide with the president's program. Now I have the potential authority to implement them. We agree on questions of preserving civil peace, democratization of society, and the need for military reform.

I also met with Zyuganov. I discussed with him problems of national security and the second round of the election. It was a constructive talk, although I made it clear that if there were people who wanted to try to exacerbate political confrontation I would not let them do that. I have already told Russians that I respect ordinary communists — ordinary working people whose creative labor is so essential today in Russia. These people are suffering just as much as anyone else as a result of arbitrary behavior by officialdom, the dominance of the gangs, the chaos and ruin. And there are some Russians who are prepared to put their faith in the new CPRF [Communist Party of the Russian Federation] leaders, who are full of promises of a land of milk and honey. People live in hope. But the trouble is that the current CPRF leaders do not have a realistic program, and in fact there is infighting going on in the CPRF itself. No, I do not go along with their way of thinking. They would not be able to cope with what has to be done. And a great deal has to be done.

I have already said that military reform is long overdue. At the first stage special attention will be paid to the problem of irregular conduct, which is threatening to undermine army morale. All plans and methods of halting existing military conflicts will be carefully analyzed. As I promised my voters, a real rather than pretend fight against corruption will begin in the very near future. The action program for this is already being devised. And also, of course, there will be a fight against crime. In this area, for a start, we will need to coordinate the actions of all law-enforcement and special services.

I realize that you cannot fight crime successfully without at least establishing basic order in the economy. That would be stupid and senseless. But I believe that there are three groups of problems, directly linked to national security, which need to be resolved as soon as possible in the economy. First, there is the question of providing Russia with its own food. The sowing plan was not fully implemented, there is a budget deficit, domestic prices of equipment and fuel are rising, and the clear trend on world grain markets is rising prices — this gives one food for serious thought.

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My view is that we need to establish a clear-cut system of state contracts for the bulk of agricultural products over a clearly specified period, for example, three years. And the state should also clearly stipulate a subsidy amounting to part of the retail price of the Russian producer's commodity and the price of an imported commodity of similar quality. [sentence as published] This will provide support for moribund Russian agriculture, in which Russian producers' costs are higher than those of foreign producers. And if a Russian producer fails within three years to learn how to do a better and cheaper job than the foreign producer he will only have himself to blame.

Second, support for and development of the country's overall transport infrastructure. Otherwise, the incipient collapse of the Russian transport system will have the most adverse effect on the task of preserving the integrity of our state. A whole swathe of regions with relatively independent development cycles could then effectively separate from Russia, at least financially and economically. Excessive haste in signing agreements on the separation of powers with the regions could contribute to this. A very balanced approach is required here.

Third, an effective regional policy. From the legal viewpoint, all regions must have identical socioeconomic status. On the other hand, Federation components must have the right to their own laws concerning property arrangements. This is real rather than fictitious federalization of the country. The center is final authority in property disputes that go beyond the confines of the region. The settlement of federal arrangements is also possible if you take into account in treaties between the central authorities and the territories the creation of "chains of profit," which will establish economic links between Federation components and thus cement our Russia's integrity.

This may seem boring to some people. Why, it is always more interesting and more fun to criticize the authorities. But we have to work creatively. This requires not so much a stock of words, as specific knowledge and experience. Therefore, all those who have these two commodities, you are always welcome to help us. It is an honor to work for the good of Russia. It was ever thus, and so it will be today.

Russia: Lebed Holds News Conference 27 Jun

LD2706230996 Moscow Mayak Radio Network in Russian 1820 GMT 27 Jun 96

[FBIS Translated Text] Aleksandr Lebed, secretary of the Security Council and the president's aide for ethnic matters, held a briefing in Moscow today. Our correspondent Tatyana Chernodanova was there. Lebed started his meeting with journalists with comments on yesterday's appearance of Ilyukhin, chairman of the Duma committee [on security], in the prosecutor general's uniform.

[Begin recording] [Lebed] From what I observe one can conclude that the degree of public madness has started going off the scale. The deputies have started putting on uniforms. If things go on like this I will put mine on too, and then take it off after the election. I guarantee that the election will take place. I will let no one to derail it. We have just had the first round. No one can put forward any serious accusations of election rigging — and this is probably our greatest achievement.

Probably I do not know Russian well enough: I mentioned GKChP-3 [State Committee for State of Emergency mark 3]. I said it tongue in cheek — there has been no GKChP-2 [State Committee for State of Emergency mark 2]. However... [pauses] I do not know how to call it; I am now somewhat shy of using the wrong word. However, a number of top generals discussing methods of using the army to put pressure to bear on the president is somewhat abnormal, to put it mildly. I think the president's decision to fire them was absolutely right.

There has been much fuss about crime and corruption and I must tell you something as to preclude any further discussions: We have unconfirmed information that there was a provocation by the special services, I stress that the information is unconfirmed. All the relevant tapes and documents must be submitted to the prosecutor general's office, which is investigating the case. The president put a stop to the provocation, and rightly so. The prosecutor general's office will investigate and draw its own conclusion, but at the moment this whole business is very unseemly.

About 11 million people believed my promises and I think I have moral obligations to these people; therefore, I accepted the president's offer and started doing a real job — never mind that I am doing it holding a different office. At the moment I am working for Russia, for its future. I am deeply convinced that Russia will find its way in this world.

I want to reiterate that I have chosen a new idea. Well, it is being implemented badly, but it is new, it has a future, it has prospects. We pin our hopes on it. Choosing the path largely depends on how we are going to implement the idea. It depends on whether we will be able to preserve peace on our land and prevent it from plunging into the chaos of civil confrontation. While there is no conflict or war, there is hope.

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I am sure we are sensible enough and strong-willed enough to create a system, to build a society where people will be able to live rather than to exist, to work in peace, keep a family — to live, in short.

[Correspondent] Aleksandr Ivanovich, you have made a very courageous step; you have joined Yeltsin's team. Pollsters and political experts are saying that a majority of your voters have welcomed your decision. But other voices can also be heard: that you have allegedly betrayed someone or something.

[Lebed] I have betrayed nothing and no one. The Russian people, on whose behalf everyone likes to speak, have made their choice and presented us with a choice. We must make up our minds: either to try to push the country back into the old route, where we have already been, lost a lot of people, shed a lot of blood, and achieved nothing — or to try to tread a new path, untried but a new promising path. I have made my choice and everyone must make up his mind on this matter. I chose the future. I am deeply convinced that all those many failings and shortcomings which exist today in everyday life can and must be corrected. We will correct them and we have all we need to do so. We are not going to botch it again [nastupat na grabli], not a second time. We will go forward, against all odds, but forward. [end recording]

Russia: Lebed Cited on Priority of National Security

LD2706212896 Moscow Mayak Radio Network in Russian 1418 GMT 27 Jun 96

[FBIS Translated Text] Today at the second conference of the Union of Patriotic and National Organizations of Russia it was defined that the first task of the country's leadership is the implementation of the new political course. This is the priority of national security, political independence, and getting the economy out of the deadlock.

This is how General Aleksandr Lebed, secretary of the Security Council of Russia, sees the way to restore law and order in Russia.

[Begin Lebed recording] Our whole country is living under a criminal veil. We do not have honest business. Most of our population, entry into the market — into a normal civilized market — is blocked by cheating, threats, racketeering, and through excessive taxes. All this has to be cleared. This is being dealt with. It is being dealt with by the main military prosecutor and also by the prosecutor general. A process of setting up a system for the coordination of all power structures is in progress. The president has been presented with a new organizational staff structure for the Security Council that would, on approval, make the Security Council into a coordinating body capable of making successful decisions and not weak decisions, capable of succeeding. In view of my rank and all the principles that I preached all my life, I am simply duty bound to stick to the word of the law. I want everything to be carried out on the basis of law and we must resist the temptation to return to resolving issues by means of the troikas [martial law courts chaired by three judges widely seen during Stalin's period]. When there is a mechanism, the problem is resolved. The Moscow mayor and I agreed to carry out an experiment in Moscow and in Moscow region. We will try to cross swords. We will see who is stronger — the Moscow internal affairs department or the local rogues. [end recording]

Russia: Lebed Comments on Ilyukhin Remarks, Elections

LD2706163196 Moscow Russian Public Television First Channel Network in Russian 1400 GMT 27 Jun 96

[From the 'Novosti' program]

[FBIS Translated Text] Aleksandr Lebed, the secretary of the Security Council, speaking at a meeting with journalists today at the press center of the presidential administration, was not very voluble, though, as usual, he put his points with great clarity. Yesterday's remarks by Viktor Ilyukhin, the chairman of the Duma committee on security, aroused a sharp and negative reaction from the General:

[Begin Lebed recording] From what we observe we can conclude that the degree of public madness has started going off the scale. The deputies have started putting on their uniforms. If things go on like this I will put mine on too, and then take it off after the election. Comrade Ilyukhin, wearing his prosecutor's uniform, has brought out his exposures. But he should know, if no one else, where such documents should be submitted and the way they should be investigated, but instead he has come out and made them the object of political speculations, insinuations and whatever you like. One must not make one's own assumptions, unscientific assumptions [end recording]

[Correspondent Aleksandr Onosovskiy] In Lebed's view the last word in the Yevstafyev-Lisovskiy incident must be pronounced by the general prosecutor's office. That is where all the materials on the case are to be found.

[Begin Lebed recording] It was well known in advance that there was a provocation by the special services. I stress that it was known in advance. The president put

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a stop to the provocation and acted correctly in doing so. The prosecutor's office will investigate and draw its own conclusion. [end recording]

[Onosovskiy] On the forthcoming election the secretary of the Security Council declared that no one will manage to disrupt it and he stressed once again his firm loyalty to democracy.

[Begin Lebed recording] I chose the future. I am deeply convinced that all those many failings and shortcomings which exist today in everyday life can and must be corrected. We will correct them and we have all we need to do so. We are not going to botch it again [nastupat na grabli], not a second time. We will go forward, slowly, tentatively but forward. [end recording]

Russia: Lebed Addresses Supporters, Makes Choice for 'Future'

LD2706131396 Moscow ITAR-TASS in English 1231 GMT 27 Jun 96

[By Andrey Surzhanskiy and Mikhail Shevtsov]

[FBIS Transcribed Text] MOSCOW, June 27 (Itar-Tass) — Security Council Supremo Aleksandr Lebed told his supporters today: "I have made a choice in favour of the future and I am going to use all my authority and influence, all the strength given to me by nature, for making Russia beautiful, rich, proud and great."

Addressing participants in a conference of the Union of Patriotic and National Organisations of Russia, which supported Lebed in the first round of the presidential elections, he explained why he had chosen Boris Yeltsin. "Zyuganov's idea is an old communist idea. There is not a single country in the world, where this idea has been put into practice. There is another idea, a new one, but it is being put into practice in a very bad way, with a lot of defects and silly things. It has a future, however, and I am positive that we have enough will and intelligence to bring all the processes into line with common sense."

Speaking about the first results of his activities in his new capacity, Lebed said that "the exodus of flimflammers from the Armed Forces has already been started." He stressed that the conceptual framework of Russia's national security is already in existence, and now it is necessary to "set in motion" a mechanism of its implementation. When speaking about problems, connected with the anti-crime struggle, Lebed pointed out that he was going to fight "flimflammers like Mavrodi." The drawing up of the conceptual framework for the struggle against crime and corruption is nearing completion, Lebed said. It will be tested in Moscow and the Moscow Region.

Lebed believes that the state should take upon itself the responsibility for the loss of money by deceived investors. In his opinion, the state cannot pay all the debts at a time, because "the printing press should not be turned on." Lebed believes that the debts might be paid in the ways other than money. The losses may be compensated for with land, for which, according to his estimates one to two per cent of the land, which is not being used anyway, will be given to the deceived investors.

"A system should be created, under which people will say: thank you, it is the first time that we have not been deceived," Lebed said.

Russia: Lebed Addresses Union of Patriotic Organizations

LD2706121596 Moscow Russian Television Network in Russian 1000 GMT 27 Jun 96

[Report by G. Vergasov; including recorded comments by Aleksandr Lebed, secretary of the Russian Security Council; from the "Vesti" newscast]

[FBIS Translated Text] [Announcer Aleksandr Gurnov] The second conference of the Union of Patriotic and National Organizations of Russia opened in Moscow this morning. In the first round of the elections, this public movement supported Lebed's candidacy. They now have to choose between two others.

[Vergasov] The secretary of the Security Council, who attended the opening, was greeted enthusiastically, and, once procedural matters regarding the conduct of the conference had been quickly settled, he addressed the audience. Having thanked those present for the support given him, Aleksandr Lebed switched over immediately to the topic of the elections.

[Lebed] The country has split into three roughly equal parts: some are for the right, others are for the left, while yet others are for all the rest or, in general, against everyone. In itself, it is an extremely abnormal situation.

[Vergasov] Lebed stressed that he had already made his choice and would be working today and concretely.

[Lebed] The exodus of rogues from the Armed Forces has begun. We have people we must serve. [audience applauds]

[Vergasov] The secretary of the Security Council mentioned a number of problems on which he was currently working — creating a mechanism for implementing his outline policy for national security, resolving the situation that had taken shape regarding cheated depositors, and returning the lost savings to the people of Russia. Of course, it is currently impossible to return some

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870 trillion rubles, but alternative compensation is being contemplated — the provision of plots of land and manufactured goods and other possibilities. Bringing his address to an end, Aleksandr Lebed returned once more to an electoral theme.

[Lebed] If we want to be elected, we must not turn back, as we are being told by the country and the people of Russia, which everyone likes to quote and on whose behalf everyone likes to speak. It has made its choice: It has left in the finishing straight two people — Yeltsin and Zyuganov.

[Vergasov] It looks as though Lebed's first steps in the post of secretary of the Security Council will be able to convince most of his supporters to back current President Boris Yeltsin in the second round of the elections. [video shows Lebed being greeted by a crowd in an auditorium and addressing a meeting]

Russia: Rybkin: Concept of Presidential Council Must Be Broader

LD2706120196 Moscow ITAR-TASS in English 1124 GMT 27 Jun 96

[By Ivan Novikov]

[FBIS Transcribed Text] MOSCOW, June 27 (Itar-Tass) — "The concept of the Political Consultative Council under the Russian President must be broader than that of its predecessor — the Public Chamber under the Head of State," Ivan Rybkin, the newly appointed Chairman of the Political Consultative Council, told Itar-Tass here today. He pointed out that "the coordination of the interests of various public groups and social sections of the population should hold pride of place within the Political Consultative Council".

"I think that a successful formula has been found to exert active public influence on the President's decisions," he added.

Rybkin explained that the Political Consultative Council should include representatives from different parties and movements, whose recommendations should find reflection without fail in the decrees and decisions of the President. He said that the concept of the Political Consultative Council envisaged the elaboration of recommendations for the Head of State, covering various spheres of public life — political, economic, and social. "This concept originated several months ago and has now obtained visible outlines," Rybkin stated.

Explaining why the Public Chamber had to be turned into a Political Consultative Council, he said that it was quite "unacceptable" when 49 per cent of the electors, who voted during the latest parliamentary elections, have no representatives in the Parliament. "This situation had to be rectified, and President Yeltsin decided to do it by setting up this Political Consultative Council," Rybkin noted.

Russian President Boris Yeltsin today met Ivan Rybkin, whom he had earlier decreed to head the Political Consultative Council.

They have discussed plans for the Council's work and prospects for its future activities, the Presidential Press Service reports.

Military Issues

Russia: Yeltsin Edict Puts Designers in Charge of Arms Development

MM2706154896 Moscow ROSSIYSKAYA GAZETA in Russian 27 Jun 96 p 5

[Russian Federation Presidential Edict No. 944, signed by President Yeltsin in Moscow on 19 June 1996: "On General Designers in the Most Important Areas of the Development of Types of Systems and Complexes of Armaments and Military Hardware"]

[FBIS Translated Text] In view of improving work in the sphere of the development of types of systems and complexes of armaments and military hardware, I decree that:

1. It shall be laid down that leadership of work in the most important areas of the development of types of systems and complexes of armaments and military hardware shall be carried out by general designers.

2. The Russian Federation Government shall ratify within two months a statute on general designers in the most important areas of the development of types of systems and complexes of armaments and military hardware.

[Signed] Russian Federation President B. Yeltsin
[Dated] Moscow, the Kremlin, 19 June 1996
No. 944

Russia: Lobov Discusses Stabilization of Defense Sector in Omsk

LD2706204396 Moscow ITAR-TASS in English 1948 GMT 27 Jun 96

[By Anatoliy Petrov]

[FBIS Transcribed Text] Omsk, June 27 (Itar-Tass) — Russia is the world's second arms exporter in 1996, which is a sign of stabilisation in the country's defence sector, First Deputy Prime Minister Oleg Lobov said in Omsk (Siberia) on Thursday.

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Lobov arrived in Omsk to meet directors of local enterprises and financial officials.

The deputy prime minister said it was unnatural that Omsk-based defence enterprises had almost five trillion roubles (one billion US dollars) in accounts payable.

Such a deplorable situation arose due to the fact that the companies, producing competitive goods, cannot receive money for their production because of the failure of their customers to pay.

Lobov said it was essential to implement the Omsk part of an all-Russia fuel and power programme aimed at achieving Russia's independence from fuel imports.

The implementation of the programme will decrease Omsk's dependence on coal imports from Kazakhstan which is struck by a deep crisis, he said.

Lobov also visited the Polet space institution, the construction site of an international airport outside Omsk and the Omsky Bekon agricultural factory, one of Russia's major pork producers.

Russia: Arms Trade Company Chief Discusses Russian Arms Exports

LD2806113696 Moscow NEZAVISIMAYA GAZETA in Russian 28 Jun 96 p 2

[Interview with Aleksandr Kotelkin, director of the state company for the export of arms and military equipment, Rosvooruzheniye, by Igor Korotchenko; place and date not given: "Russian Arms Exports Grow Constantly. Rosvooruzheniye Chief Aleksandr Kotelkin Is Sure That the Sale of Military Hardware in 1996 Will Earn the Country $3.5 Billion"]

[FBIS Translated Text] [Korotchenko] How large is your team, which has managed to place Russia second in the world in arms sales?

[Kotelkin] It has several dozen people, but it leads thousands of people who work for Rosvooruzheniye and the military industrial complex.

Few believed the 1995 statistics. Even so, my forecasts — and I spoke about $2.4-2.5 billion — were exceeded. I should like to say with a full sense of responsibility that with a stable political situation in Russia arms export in 1996 will yield $3.5 billion. This is a conservative estimate. With a favorable market situation we can earn in excess of $4 billion. Meanwhile, the portfolio of contracts we have signed is worth $7 billion.

Before the end of the year several more contracts could be signed, worth $3.5 billion. All of them will be implemented within the next three to four years.

Generally speaking, there will be no letup in the signing of new contracts. If the volume of the arms market is figuratively represented as a cocktail, its ingredients are the United States, Great Britain, France, Germany, Italy, Russia, China, and a number of other states. Now, with every year, the taste of this cocktail will be increasingly recalling the flavor of Russian vodka — no matter whether some might like this or not. This is an objective process, backed up by figures, even though it produces extreme irritation in the West. Therefore our competitors are beginning to take countermeasures, masterminding anti-Russian drives in the mass media. Unfortunately, sometimes even domestic publications are dragged into this unseemly undertaking.

Any criticism should carry a constructive element. Quite often, however, we are simply covered in dirt that we then have to clean.

[Korotchenko] Does this happen often?

[Kotelkin] It happens. The aim is to thwart the signing or approval by a particular country of contracts concluded with Rosvooruzheniye. Thus, in 1995, three contracts with a value of $145 million were shelved because Russian print media published a series of clearly commissioned publications about Rosvooruzheniye's alleged insolvency, which did not correspond with reality.

[Korotchenko] Recently NEZAVISIMAYA GAZETA revealed some details showing that foreign special services, in particular the CIA, planned actions to discredit the Russian state officials in charge of arms export....

[Kotelkin] We are seeing, through 10x-binoculars, an imminent wave, a tornado: These events are pending. This wave could wash $2-2.5 billion worth of contracts off the Russian shore.

[Korotchenko] Among the directors of military industrial complex enterprises what is the attitude to Rosvooruzheniye?

[Kotelkin] If a defense enterprise has everything going well — production, marketing, competitive goods, and no losses — how can they relate to us? Very positively. After all, we have helped such enterprises to earn hard currency. Yet there are also other examples. If an enterprise produces, say, tanks, which make up 30 percent of its overall production volume, while the rest of the goods — for the civilian sector — are noncompetitive, and the situation is compounded by debt problems, they will be discontented with us. The director of such an enterprise blames Rosvooruzheniye for selling too few tanks. Yet the situation on the arms market is not at all simple. There is tough competition, involving the entire capabilities of a state standing

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behind a particular arms corporation. We begin to analyze the situation and it turns out that the price for our tanks is 50 percent higher than it should be. Why? Civilian production is money-losing, and so, to compensate for their losses, they inflate the prices for defense products. Rosvooruzheniye itself does not inflate prices. This is done by the manufacturer.

So, they begin to write to the government: "Give us the right to operate independently on the foreign market." Today seven military industrial complex enterprises have been granted this right. But have they sold one solitary automatic rifle? None.

Arms trade is an element of state policy. Can the state cede it to people who not only do not know one foreign language, but who have no idea of now to negotiate with foreign partners? It probably cannot.

Critics will say that Boeing and Lockheed market their products themselves. Yes, they do. But they have whole professional subdivisions for that. This is why I supported the creation of such a structure as the MAPO [Moscow Aircraft Production Association]. Both from the point of view of its personnel and its organization, and its performance in the foreign economic sphere, the MAPO is ready for independent work with foreign partners. Such a structure will not — and cannot — act against Russia's state interests.

I am in favor of civilized arms traders operating in the Russian Federation, whom we shall help to enter the world market. After MAPO, I believe, these will be such organizations as Antey: air defense systems; Splav: multiple rocket launchers; and Sukhoy: combat aircraft.

[Korotchenko] How does Rosvooruzheniye dispose of its profits?

[Kotelkin] Instead of building apartments and dachas for our employees, last year we invested more than $40 million in cutting-edge enterprises of the Russian military-industrial complex. This is our contribution to future contracts.

Regional Affairs

Russia: Text of Yeltsin Edict on Phased Withdrawal From Chechnya

MM2706130396 Moscow ROSSIYSKAYA GAZETA in Russian 27 Jun 96 p 1

[Russian Federation Presidential Edict No. 985, signed by President Yeltsin on 25 June 1996: "On the Withdrawal of Forces and Equipment Making Up the Temporary Combined Forces Carrying Out the Tasks of Disarming All Illegal Armed Formations on Chechen Republic Territory"]

[FBIS Translated Text] With a view to further stabilizing the situation in the Chechen Republic, in accordance with the program for settling the crisis in the Chechen Republic, and guided by Article 80 of the Russian Federation Constitution, I decree that:

1. The phased withdrawal to their permanent bases of the forces and equipment making up the Temporary Combined Forces carrying out the tasks of disarming all illegal armed formations on Chechen Republic territory shall begin.

The withdrawal of these forces and equipment shall take place as the situation stabilizes in Chechen Republic regions and population centers.

The withdrawal from Chechen Republic territory of Russian Federation Armed Forces combined and other military units forming part of the Leningrad, Moscow, Volga, and Urals Military Districts or deployed on the territories of those military districts shall be completed by 1 September 1996.

2. The Russian Federation Government shall:

implement measures linked to the phased withdrawal to their permanent bases of the forces and equipment making up the Temporary Combined Forces carrying out the tasks of disarming all illegal armed formations on Chechen Republic territory;

take additional measures to provide facilities for the combined and other military units permanently deployed in Chechen Republic territory under the established procedure.

3. This edict comes into force from the day it is signed.

[Signed] Russian Federation President B. Yeltsin
[Dated] Moscow, the Kremlin, 25 June 1996
No. 985

Russia: Chechen Official To Prepare for Yandarbiyev-Yeltsin Meeting

LD2706122996 Moscow INTERFAX in English 1210 GMT 27 Jun 96

[FBIS Transcribed Text] MOSCOW, June 27 (Interfax) — Spokesman for Chechen separatists Vagap Tutakov told INTERFAX by telephone from the city of Kaluga in Central Russia, where he lives, that he intends to prepare another meeting between the head of Chechen separatists Zelimkhan Yandarbiyev and President Boris Yeltsin.

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According to him, he has been in contact with the separatist leadership and personally with Yandarbiyev, who empowered him to make arrangements for a meeting with the Russian president.

In the meantime, Tutakov complained, members of the Moscow-based department for combating organized crime limit his freedom of movement and hinder his contacts. When he returned to Kaluga from his ten-day tour of former Soviet republics, they warned him that he must not leave home and refrain from using his telephone, Tutakov said. He views such warnings as de facto house arrest, he said. He admitted that he had violated those orders — continued to make telephone calls and went to the nearest kiosk on two occasions.

His recent tour abroad was purely private, Tutakov pointed out. "It had nothing to do with taking Dzhokhar Dudayev's widow Alla to Switzerland," he said.

Tutakov said the widow of the former Chechen president and rebel leader is there, but categorically refused to say anything more about taking Alla Dudayev to Switzerland.

Russia: Attack on Moscow-Backed Chechen Leader 'Foiled'

LD2806064896 Moscow INTERFAX in English 0634 GMT 28 Jun 96

[FBIS Transcribed Text] GROZNYY, June 28 (Interfax) — An attempt on the life of Doku Zavgayev, the Moscow-backed leader of Chechnya, was foiled in Groznyy Thursday [27 June].

Chechen republic's Prime Minister Nikolay Koshman told Interfax Friday morning that as Zavgayev was being driven in his car at about 10 a.m., the police and security officers spotted a number of suspects who intended to assassinate him. Five bombs which were to be used in the attack were disposed of.

Vyacheslav Mikhaylov, chief federal negotiator in the talks with separatists, told Interfax that his team had strongly protested the assassination attempt.

Russia: Chechnya Pullout Phased To Avoid Repeating Past Mistakes

MM2706135696 Moscow ROSSIYSKIYE VESTI in Russian 27 Jun 96 p 1

[Report by Pavel Anokhin: "Goodwill Gesture Made by Boris Yeltsin in the Name of a Peaceful Outcome to the Chechnya Conflict"]

[FBIS Translated Text] As we have already reported, on 25 June Russian President Boris Yeltsin signed an edict on the withdrawal of manpower and resources which are part of the Temporary Joint Forces carrying out tasks to disarm unlawful armed formations on the territory of the Chechen Republic.

The document prescribes the commencement of "the phased withdrawal" of the federal forces in Chechnya to their permanent stationing locations. It is planned that the Russian Federation Armed Forces large units and units stationed on the territory of the Leningrad, Moscow, Volga, and Urals Military districts will complete their withdrawal by 1 September 1996. Boris Yeltsin will thus move the recent agreements signed in Moscow and Nazran onto the level of practical implementation.

Let us recall that an agreement on a cease-fire as of 1 June and an exchange of prisoners of war and persons unlawfully held captive was signed 27 May in the Kremlin on the initiative of Boris Yeltsin. At the beginning of June at the talks in Nazran the Kremlin agreement developed into the formation of two working commissions — on military questions and on the problems of exchanging persons held captive by force — and also the elaboration of mechanisms for the concrete implementation of the agreements.

And then a goodwill gesture was made by the federal center — an edict of the head of state on the withdrawal of the troop formation, and the subsequent statement by Lieutenant General Vyacheslav Tikhomirov, commander of the joint federal forces in Chechnya, on the withdrawal, starting 28 June, of the 245th motorized rifle regiment from the republic. In a conversation with your ROSSIYSKIYE VESTI correspondent, the commander stressed that the federal authorities took this unilateral step to demonstrate the will for a peaceful outcome to the Chechen war. He noted that the troops are taking into account their previous mistakes whereby the Chechen separatists used the peaceful interval to rearm and regroup, ready for another round of combat actions. "That is why the withdrawal of the troops will proceed in phases, as determined in the edict," Vyacheslav Tikhomirov stressed, "and will be directly linked with the demilitarization of the republic's population."

"The Russian president's edict repudiates all accusations made by the separatists against Moscow, and it shows that Moscow is ready to take the most serious steps on the path to peace in Chechnya," Vladimir Zorin, chairman of the Duma Committee for Nationalities Affairs, told your ROSSIYSKIYE VESTI correspondent. "By his edict the top state official has ratified the agreements reached. This requires commensurate serious steps on the part of Zelimkhan Yandarbiyev, Aslan Maskhadov, and all the other separatist leaders who are interested in peace."

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Setting off for Groznyy at the head of a federal delegation, which arrived in Chechnya yesterday, Vyacheslav Mikhaylov, Russian Federation minister for nationalities affairs and federal relations, informed ROSSIYSKIYE VESTI that the aim of their trip was to consolidate all the republic's political forces which are interested in a peaceful outcome to the Chechen conflict.

Russia: Chechen Information Minister Says Talks Postponed

LD2706133596 Moscow ITAR-TASS in English 1319 GMT 27 Jun 96

[By Sergey Gorbunov]

[FBIS Transcribed Text] MOSCOW June 27 (Itar-Tass) — A meeting between the delegation of the federal authorities now staying in Chechnya and leaders of the armed opposition, planned for today, will not be held. Movladiy Udugov, Information Minister of the self-proclaimed "Republic of Ichkeria", told ITAR-TASS by telephone that the negotiations which were planned to be held in a village in the Shali district were postponed till Friday on the initiative of the delegation that arrived from Moscow.

Udugov said that the participants from the federal side were to be Vyacheslav Mikhaylov, the delegation's head, Russian Minister for Nationalities, as well as Vladimir Zorin and Sergey Stepashin. The Chechen delegation included Aslan Maskhadov, Khozh-Akhmed Yarikhanov and Movladiy Udugov.

On behalf of the leadership of the armed opposition, Udugov expressed displeasure with the fact that members of the federal delegation tour Chechnya accompanied by head of the republic Doku Zavgayev. The separatists today sent an "official protest" against this to head of OSCE [Organization for Security and Cooperation in Europe] mission in Chechnya Tim Guildemann. Separatists assert that such tours pursue "propaganda aims" of the Groznyy authorities.

Udugov said that the Chechen armed opposition is going "to observe unswervingly the arrangements reached in the Kremlin and in Nazran", "is ready for a constructive dialogue" and expects the same approach from Moscow.

Meanwhile, the official representative of the separatists suddenly advanced a condition for a successful continuation of the dialogue on peace. He demanded that General Vyacheslav Tikhomirov, the commander of the joint group of federal forces in Chechnya, be dismissed.

"There will be no progress in the talks as long as Tikhomirov is staying in Chechnya as troops commander. It will hardly be possible to observe the achieved military accords either," Udugov said. He confirmed that talks of working commissions of the federal authorities and of separatists for the search of missing and forcibly detained persons are held in Khankala, the suburb of Groznyy, today. Udugov noted that these contacts have not yet achieved any results.

Russia: Perm, Tatarstan, Bashkortostan Agree on Tu-214 Project

MM2706152996 Moscow Russian Television Network in Russian 0400 GMT 24 Jun 96

[From the "Vesti" newscast: Video report from Perm Oblast by V. Fefilov, identified by caption; figures in brackets denote broadcast time in GMT in hours, minutes, and seconds]

[FBIS Translated Text] [040157] [Fefilov over video of MiG-25 taking off] Traditionally, every evening a MiG-25 weather forecast aircraft takes to the skies above the Kama region. Its forecasts are becoming more and more essential for pilots on long-haul passenger routes. This is because Perm Airport aircraft are rapidly aging. They have not been replaced for many years. All these aircraft have served two to three normal lifetimes.

Igor Grachev, director of the Perm Aviation Company, is drawing up plans to purchase several used Western aircraft, which are still reliable and cheap. The Perm Aviation Company cannot afford new Russian aircraft. However, this situation may change in the near future. The presidents of Tatarstan and Bashkortostan have signed an agreement with the Perm Oblast governor to form an aircraft builders' association. The main objective of this agreement is to organize joint production of the new Tu-214, equivalent to the U.S. Boeing-757. The aircraft engines will be produced in Perm, the airframe will be produced in Kazan, and Ufa will be responsible for servicing and repairing the aircraft. If this idea is put into effect, it will not only bring great relief to the pilots and passengers, who are currently flying in old aircraft, but also benefit workers at Urals aircraft industry enterprises, which will receive a lucrative order. [040304] [video shows MiG-25 taking off, civilian aircraft grounded and airborne, airstrip]

Economic Issues

Russia: Lebed Cited on Economic Priorities, Security Council Role

MM2806115196 Moscow FINANSOVYYE IZVESTIYA in Russian 27 Jun 96 p ii

[Report by Viktoriya Likhovtseva: "The Security Council Will Take on Restoring Order in the Economy"]

[FBIS Translated Text] The processes taking place in the Russian economy will be tracked most carefully by

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the Security Council. "At least elementary order must be imposed in the economy," Council Secretary Aleksandr Lebed said.

Among the components of "elementary economic order" General Lebed singles out "safeguarding Russia's food security."

The underfulfilled sowing plan, the budget deficit, the growth of domestic prices of fuel and equipment, and also the upward trend in grain crop prices on the world market make it necessary to show serious concern for this problem. Aleksandr Lebed believes that a precise system of state contracts with a specific term (three years, for example) must be established for a large proportion of agricultural products. Here the state should also clearly specify a subsidy equal to part of the difference between the Russian producer's price and the price of imports of similar quality. This will make it possible, on the one hand, to support "our literally moribund national agriculture," whose production costs are most often higher than foreign producers', and, on the other, to encourage an increase in the cost-effectiveness of the subsidy. "And if our producer does not manage to learn in, say, three years to work better and more cheaply than the foreign producer he will only have himself to blame," the Security Council secretary summed up.

Aleksandr Lebed emphasized one other thing: "There is an extremely important question with a direct impact on national security questions, namely, in the field of regional policy, maintaining and developing the country's common transport infrastructure. Otherwise the collapse of Russia's transport system, which has begun and, unfortunately, is developing, could have a disastrous impact on Russia's integrity." The general fears that if this should happen a whole series of regions with a relatively independent development cycle and a developed infrastructure could de facto secede from Russia, at least in the financial and economic sense.

The new Security Council secretary is concerned that the sharp expansion of Federation components' political and economic independence has led to the emergence of fundamentally new problems for the regions and concerns for the central authorities: "To this day there are still hasty foreign trade deals which harm Russia and sometimes its political interests too." When delimiting the powers of the Federation and its components, therefore, there is a great need to clearly work out questions of international and economic ties.

The general intends to carry out one of his main election promises — combating graft among state officials and the criminal yoke strangling the economy. In particular, according to INTERFAX, the Security Council has already started examining cases linked to abuses in St. Petersburg: corruption in housing distribution, unwarranted advantages granted to foreign companies, and so forth.

Some other key factors which are important for improving the current situation were also identified. These include the problems of improving the structure and mechanisms for ensuring important and export operations. They also include the formulation of programs to prevent the flight of capital, which has become like a hurricane this year largely thanks to the elections. In Aleksandr Lebed's words, there must definitely be an audit and adjustment of both legislative and executive mechanisms in such areas as banking activity, securities, privatization, the use of budget funds, and currency control. In connection with the special importance of economic security problems at this time, it will also be necessary, when reorganizing the functions of the Security Council apparatus, to attentively study and make use of the experience of work in this field gathered by organs in other countries performing functions similar to the functions of the Security Council in Russia.

Russia: Yeltsin Edict Gives Tax Organs Additional Funds

MM2706160196 Moscow ROSSIYSKAYA GAZETA in Russian 27 Jun 96 p 5

[Russian Federation Presidential Edict No. 969, signed by President Yeltsin on 21 June 1996: "On Additional Measures To Ensure Receipt of Taxes and Other Mandatory Payments to Budgets"]

[FBIS Translated Text] In view of ensuring receipt of taxes and other mandatory payments to budgets, and to revealing and putting a stop to tax crime and breaches of the law, I decree that:

It shall be laid down that 50 percent of the total taxes and other mandatory payments to be remitted to the federal budget, Russian Federation component budgets, local budgets, and extrabudgetary funds and levied additionally by tax organs and tax police organs as a result of checks carried out (apart from fines and other sanctions levied for violations of Russian Federation tax legislation) shall be channeled in 1996 into financial support for tax organs and tax police organs within the limits of the funds laid down for the upkeep and development of these organs under Articles 51 and 52 of the federal law "On the Federal Budget for 1996" (SOBRANIYE ZAKONODATELSTVA ROSSIYSKOY FEDERATSII, No. 1, 1996, p. 21).

These funds shall be remitted by taxpayers into separate tax organ and tax police organ current accounts.

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[Signed] Russian Federation President B. Yeltsin
[Dated] Moscow, the Kremlin, 21 June 1996
No. 969

Russia: Luzhkov: Privatization Should Be Halted Temporarily

LD2706230896 Moscow Radiostantsiya Ekho Moskvy in Russian 1945 GMT 27 Jun 96

[FBIS Translated Text] Privatization in Russia should be stopped until new principles applying to property reforms are worked out, Moscow Mayor Yuriy Luzhkov said unexpectedly and categorically today. Moreover, he did not rule out the possibility of returning a number of unsuccessfully privatized enterprises to state ownership. Luzhkov is convinced that the state sustained a great loss from the privatization of enterprises. The Moscow mayor's words are of particular importance if one takes into account the fact that he is considered to be a candidate for the new Russian government after the second round of the presidential elections.

Russia: Minister Davydov Says Moscow Has Joined Paris Club

LD2706152096 Moscow INTERFAX in English 1440 GMT 27 Jun 96

[FBIS Transcribed Text] MOSCOW, June 27 (Interfax) — Russia has actually joined the Paris Club of creditor countries, Russian Minister of Foreign Economic Relations Oleg Davydov told Interfax Thursday.

He said now everything depends on formalities which he thought could be completed during the current summit of the Group of Seven leading industrialized nations in Lyon, France.

On instructions from President Boris Yeltsin, Russia will be represented at the conference by Prime Minister Viktor Chernomyrdin.

Davydov added that as a debtor of Paris Club countries Russia had agreed with them on restructuring its $38 billion debt.

"The sum will be repaid within 25 years on terms quite suitable for Moscow and its creditors," the official said.

Meanwhile, Moscow is a big creditor itself with other countries owing it a total of $140 billion, Davydov added. This permits Russia to join the Paris Club, he said.

Davydov, who is in charge of foreign debt in the Cabinet, said membership in the club would help Russia recover debts from developing countries credited by the former USSR.

He said membership by a country disciplines its debtors, which can be denied new loans if they fail to stand by their commitments.

"The readiness of the 18 members, which are the most advanced countries of the world, to admit Moscow to this international organization indicates that they fully support the strategy of reforms in Russia pursued by the current government," the minister said.

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International Affairs

Ukraine: Udovenko Interviewed on NATO, Bosnia, Russian Election

WS2606120096 Kiev DEMOKRATYCHNA UKRAYINA in Ukrainian 22 Jun 96 pp 1,2

[Interview with Ukrainian Foreign Minister Hennadiy Udovenko by Lesya Mishchenko; place and date not given: "Both Stars and Fate — In the Name of Ukraine"]

[FBIS Translated Text] Politicians, too, celebrate their birthdays. Quite often they meet such a day on board a government airplane or surrounded by everyday urgent state affairs. Ukrainian Foreign Minister Hennadiy Udovenko is celebrating his birthday today. He is currently in Warsaw, at a NATO workshop.

Hennadiy Udovenko is a politician with the image of an individual who has a successful diplomatic career behind him. Well-considered decisions, deep reflection, tactfulness, and a high intellectual level have secured appropriate prestige for the Ukrainian foreign minister.

Hennadiy Udovenko is celebrating his 65th birthday today. Our newspaper congratulates him on the occasion of his birthday, and wishes him sound health and happiness for all the good things he has done in the name of Ukraine.

We offer our readers an interview with this extraordinary politician.

[Mishchenko] Hennadiy Yosypovych, we sincerely congratulate you upon your birthday! Let stars in the sky shine for you and the Ukrainian state.

[Udovenko] Thank you.

[Mishchenko] Since to a considerable your fate is the fate of our state, our conversation on the eve of your birthday should certainly be of a state nature. Do you agree?

[Udovenko] I agree.

[Mishchenko] While addressing the West European Union [WEU] Assembly in Paris, our president stated that it is possible for Ukraine to become an associate partner of the WEU. The WEU is a purely European military-political organization, unlike NATO, which has always been dominated by U.S. influence. How would you comment on this possibility for Ukraine, and what could be the attitude of NATO members toward this?

[Udovenko] Relations between Ukraine and the WEU are currently becoming more and more dynamic. This can be confirmed by Ukrainian President Leonid Kuchma's visit to France to attend the 41st session of the WEU Parliamentary Assembly at the invitation of WEU Assembly Chairman D. Smith. The evolution of our state's relations with such a European structure as the WEU was clearly defined in the Ukrainian president's address to the WEU Assembly in Paris, in which he confirmed Ukraine's readiness to proceed from a dialogue to real partnership with the Union, and emphasized that the strategic goal of our state lies in the integration with European and North Atlantic structures. In this context, it should be noted that the development of partnership with the WEU is an essential factor in both the process of European integration, and our country's efforts aimed at building a common system of European security and Ukraine's search for its role in this system. In this regard, closer cooperation between Ukraine and the WEU seems to be quite a natural process. As it is, in light of the strategic goals of its foreign policy, it is important for Ukraine to create reliable guarantees of its future security, which is only possible through close cooperation with European and Transatlantic structures. In my opinion, Ukraine has all the possibilities of developing cooperation with the WEU, which is one of the leading political structures on our continent. It is also important to note that the development of these relations should be seen from the viewpoint of the inviolability of Ukraine's nonaligned status. I am also convinced that this process would be supported by NATO because everybody understands the important place of our state on the continent, particularly from the perspective of building a common system of European security.

[Mishchenko] Ukraine and the EU, and the further development of relations between them. What preconditions should our country create to start negotiations on creating a free trade zone (by 1998)?

[Udovenko] Political relations between Ukraine and the EU have become regular and systematic. In June 1994, Ukraine and the EU signed an agreement on partnership and cooperation. In November 1994, the agreement was ratified by the Ukrainian Supreme Council. On 1 June 1995, Ukrainian President L.D. Kuchma paid an official visit to Brussels at the invitation of European Commission Chairman Jacques Santer. Incidentally, a temporary trade agreement between the two sides was signed this same day, which came into force on 1 February 1996.

Regular meetings between the foreign minister and the so-called "EU Three" are being held. The "Three" consist of the ministers of the country which currently presides over the EU, the countries which previously presided over it, and will preside over it next. Following the aforementioned visit by our president, three such meetings have already been held — in Kiev, Madrid, and recently, on 22 May, in Rome.

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As for the preconditions for creating a free trade zone, the agreement on partnership and cooperation envisions that, and I quote, "in 1998 the sides will jointly examine the question as to whether the conditions and, in particular, the process of implementing economic reforms and the economic situation in Ukraine make it possible to begin negotiations on establishing a free trade zone."

The preconditions for creating such a zone include Ukraine's accession to the GATT/WTO, with all its ensuing consequences, settling issues concerning privatization, the development of a modern legal basis regulating Ukraine's economic activities, and social reforms.

[Mishchenko] Hennadiy Yosypovych, the Czech Republic, Poland, and Hungary are the most likely candidates for NATO membership. Is this action not disrupting the East European balance? Will this not have some negative impact on our state?

[Udovenko] In light of the changes which have occurred on the political map of Europe during the past few years, the fact that the North Atlantic Alliance remains an important factor of security and stability in Europe is in many respects justified. Therefore, it is no accident that many Central and East European countries are trying to achieve full membership in the Alliance. As for these countries' efforts, first of all, I would like to emphasize that such a choice is an internal affair of each country. And nobody has the right to decide this issue for them. In our opinion, the main factor in the process of NATO expansion is the fact that Central and East European countries' wish to find their place in an all-embracing system of Euroatlantic security, in which NATO is one the main components. Thus, Ukraine sees the process of expanding NATO as a component of the broad process of developing new European security arrangements, and understands Central and East European countries' desire to join NATO, particularly if this process is accompanied by the implementation of Ukrainian President L. Kuchma's initiative to create a nuclear-free zone in Central and Eastern Europe. Additionally, we have the full right to expect that our partners will respect our security interests. In particular, this concerns Ukraine's closer relations with NATO and their appropriate political form in the context of the possible expansion of the Alliance.

[Mishchenko] How is the hampering of the constitutional process affecting the development of Ukraine's political relations with European states?

[Udovenko] Unfortunately, Ukraine is currently the only post- Soviet and post-socialist country which has not yet passed a new constitution, and it continues to live in a "legal" area which was created by the 1978 Constitution of the Ukrainian Soviet Socialist Republic.

In addition to the exceptionally important and obvious state- building interests, the need to adopt a constitution as quickly as possible is determined by Ukraine's commitments to international organizations, the membership of which was received on the condition that Ukraine's legislation would be brought in line with international norms, which also envisioned the adoption of a new constitution. This primarily relates to the Council of Europe, whose member Ukraine became in October 1995.

While joining the Council of Europe, according to its principles, Ukraine committed itself to adopt a new constitution, a framework document on Ukraine's legal policy in the area of the protection of human rights, and a framework agreement on legal and judicial reforms.

So, the adoption of a new constitution should play a significant role both in the process of state-building (a legal basis of the Ukrainian state is being formed and confirmed by law) and the establishment of an atmosphere resulting in the European and world community's full confidence in Ukraine.

[Mishchenko] Mr. Minister, to become a member of a bloc or a union — for example, the EU — Ukraine should have good-neighborly relations with all states which surround it. How would you describe the current Ukrainian-Romanian relations?

[Udovenko] Romania holds an important place in Ukraine's foreign policy interests, which is determined by many factors, and primarily by our common border and vast possibilities of arranging a versatile and mutually advantageous cooperation.

As a matter of fact, certain political problems do exist. First of all, I have in mind the lack of a treaty on good-neighborliness and cooperation between Ukraine and Romania. While drafting this treaty, Ukraine is insisting on unconditional recognition of the current Ukrainian-Romanian state border.

Unfortunately, due to a number of circumstances which are independent of Ukraine, the work on this document is far from being completed. Therefore, Ukraine is paying particular attention to the development of relations with Romania in other areas of bilateral relations, first of all, trade and economic relations, and is invigorating them. Thus, a working meeting of the Ukrainian and Romanian prime ministers has recently been held at our initiative during which six intergovernmental and interdepartmental agreements were signed, and the primary directions of and prospects for economic cooperation were discussed. We hope that the further development

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of trade and economic cooperation will later create conditions more favorable for resolving political problems.

[Mishchenko] In general, how would you comment on the implementation of the Dayton and other peace agreements regarding Bosnia-Herzegovina?

[Udovenko] In UN diplomatic circles, the course of the implementation of the Dayton Accord's provisions is being assessed equivocally. The military results of the implementation of the accord are currently being assessed in a positive manner, though with certain reservations. This was confirmed by the 4 April statement by the UN Security Council chairman, in which it was noted that as a whole, the implementation of the military aspects of the peace agreement was satisfactory.

At the same time, the implementation of the civilian aspects of this operation is quite problematic. In this regard, substantial disagreements in observer's assessments of progress achieved by the sides and the international community are being noticed. All of these assessments have one common ground — moderate optimism with regard to the further development of the process of peaceful settlement in Bosnia-Herzegovina. The main reason behind this is that the leaders of all ethnic groups are trying to increase their influence and control in territories which are under their control, and in the opinion of representatives of Western countries, all of them are afraid of losing power in event of a strengthened multiethnic Bosnian state.

Therefore, the successful implementation of the Dayton Accord is being hampered by its internal contradiction: It recognized the existence and functioning of separate ethnic entities in Bosnia- Herzegovina, but at the same time it proceeded from the assumption that its implementation is possible only if Bosnia-Herzegovina becomes an ethnically integrated state. Moreover, it should be pointed out that both the mechanism and deadlines for implementing the process of reintegration seemed to be unrealistic since the very beginning.

As a result, difficulties in the implementation of virtually all civilian aspects of the Dayton Accord have emerged. In particular, the sides have not unconditionally and timely met all their commitments concerning the release of prisoners of war, the constitutional system, the withdrawal of foreign forces, freedom of movement, return of refugees, and respect for the norms of international humanitarian law.

Holding free, fair, and democratic elections, which are to create an appropriate foundation for the establishment and activities of common institutions, is deemed as one of the central elements of the peace agreement.

As for the implementation of certain provisions of the Dayton Accord, one can draw the following conclusions:

— The military-political situation in Bosnia-Herzegovina remains tense and may explode as soon as the Implementation Force [IFOR] is withdrawn from Bosnia;

— the sides which signed the Dayton Accord have actually diverted form its letter and spirit. The Bosnian government, which is controlled by Muslims, is trying to create conditions for transforming Bosnia-Herzegovina into a unitary state controlled by Muslims. The Bosnian-Serb leadership, led by Radovan Karadzic, is exerting its efforts to create conditions for separating the Serb Republic from Bosnia-Herzegovina;

— most Western politicians think that it is possible to enhance the process of peaceful settlement only by pressure on the Bosnian Serbs and concessions from them;

— the fact that the question concerning the future deployment of the IFOR in Bosnia-Herzegovina has not been resolved is negatively affecting the overall results of the operation. The quickest possible settlement of this issue will help create a favorable climate to implement all of the so-called civilian aspects of the operation;

— the economic reconstruction and revival of Bosnia-Herzegovina is an indispensable precondition for ensuring political stability and peace in the region. Economic revival is one the important instruments able to essentially affect the process of gradual reunification of the two entities.

As everyone knows, a number of agreements regulating separate issues concerning the final resolution of the crisis are components of the framework peace agreement on Bosnia-Herzegovina. One of them is the agreement on stabilization in the region. In particular, it envisions such measures as enhancing trust and security, and weapons control.

[Mishchenko] National Security Council Secretary Volodymyr Horbulin has stated that whoever wins the elections in Russia, there will be no warming in relations between our sates anyway. What is your opinion?

[Udovenko] There is no doubt that the results of the presidential elections in Russia may in this way or another affect Ukrainian-Russian relations. However, since the "temperature" of these relations is currently high enough anyway, in my opinion, one should not expect radical changes. In this regard, Volodymyr Pavlovych [Horbulin] is certainly correct.

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For us, the main thing is currently to avoid a "cooling." I think that in Russia nobody is setting this as their goal either. If a dramatic change in the climate of Ukrainian-Russian relations does not take place as a result of the presidential elections, I would like to hope that we will find a method of gradually removing the obstacles which are currently hampering the development of our relations to a certain degree. First of all, I have in mind the problem of the Black Sea Fleet which, in my opinion, was also complicated by the election campaign in Russia. In any event, equal and mutually beneficial cooperation with the Russian Federation conforms with Ukraine's national interests, and we are ready for this, whatever the results of the presidential elections.

[Mishchenko] What do you think is the current stage of the process of providing material compensation for the withdrawal of nuclear weapons from Ukraine by Russia?

[Udovenko] According to the provisions of the 10 May 1994 agreement between the Ukrainian and Russian Governments on the implementation of the 14 January 1994 tripartite agreement among the Ukrainian, Russian, and U.S. presidents, the compensation for strategic nuclear warheads, the last one of which was shipped to Russia on 1 June this year, is provided in the form of nuclear fuel (heat-emitting rods) for Ukrainian nuclear electric power plants.

On 23 May, an amendment to the aforementioned agreement was signed which stipulated that Russia would deliver nuclear fuel to Ukrainian nuclear electric power plants throughout the period 1994- 97 in the total volume of 1,800 heat-emitting rods, and that some of them would be used by the Chernobyl nuclear power plant.

As the aforementioned agreement stipulates, the compensation for the tactical nuclear weapons withdrawn in 1991 and 1992 will be provided by writing off a part of Ukraine's national debt for energy sources.

[Mishchenko] The entire world is currently watching what is brewing in Russia and which force is winning the election process. What is your personal opinion on these events?

[Udovenko] Everything has currently returned to its place. The forecasts have come true: Two leaders are dominating. The process of setting up coalitions and securing support is currently underway. In my opinion, the alignment of forces is not dramatic. It has been anticipated. It has perhaps become dramatic only for Zhirinovskiy, which can be confirmed by the Russian people's assessment of his policy. To what degree does this concern Ukraine? The threat of communists coming to power in Russia has resulted in the pumping of capital into Ukraine. This confirms that anxiety exists in Russia because it [the threat] is disrupting stability. Nonetheless, I hope that common sense will prevail.

[Mishchenko] Is it currently possible to predict if the Russian president will visit Ukraine?

[Udovenko] I think that technically and practically it will be impossible to conduct this visit within the next two weeks. Boris Nikolayevich must focus on his activities in Russia's "red belt" in order to receive more votes there. I think that he cannot rely on General Lebed's votes alone, and he has to search for support. Ukraine does not belong to the "red belt" in which he has to canvass. In Ukraine, 55 percent of the population voted for Yeltsin. This indicates the alignment of forces in Ukraine. So, I think that his visit to Ukraine would not currently produce more votes for him, but I want to emphasize that we are ready to receive B.N. Yeltsin at any time to sign a treaty with Russia.

[Mishchenko] Hennadiy Yosypovych, thank you for the conversation and your persistent and productive work in the name of independent Ukraine.

[Udovenko] Thank you.

Ukraine: Udovenko Meets With Iranian, Turkmen Counterparts

LD2706192096 Tehran IRNA in English 1541 GMT 27 Jun 96

[FBIS Transcribed Text] Kiev, June 27, IRNA — The third meeting of the foreign ministers of Iran, Ukraine and Turkmenistan opened in Kiev on Thursday.

Ukrainian Foreign Minister Hennadiy Udovenko said at the opening ceremony that the trilateral commission of the three nations has been established to promote the common interests of the states concerned.

He said development of relations among the three states was agreed upon in the previous meetings of the three countries' officials in Tehran and Ashgabat, and would continue in the future.

Udovenko said that Ukraine attaches high importance to its relations with Iran and Turkmenistan and that the geographical vicinity of the three countries has served to uphold the significance of trilateral cooperation.

He referred to the opening of the Mashhad-Sarakhs-Tajan railway last May as another aspect for regional cooperation between the three countries, noting that the Ukrainian prime minister was among foreign dignitaries attending the historical inauguration ceremony of the railway linking central Asia and the former Soviet states to international waters via Iranian soil.

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The Ukrainian foreign minister said that with the opening of the railway Asia has now been linked with Europe and the ancient silk road has been revived.

The 297 km railway track connects the Iranian network to that of Central Asia through the city of Sarakhs on the Iran-Turkmenistan border.

Udovenko voiced his country's readiness to enter into partnership for setting up industrial plants and laying pipelines to carry gas and oil.

He said Ukrainian President Leonid Kuchma has named Vice-premier Vasyl Yevtukhov as the chief of the Ukrainian delegation for the current trilateral talks which shows to what extent his country is interested in regional cooperation.

Yevtukhov in a brief address said that trilateral cooperation among Iran, Turkmenistan and Ukraine would serve the long-term interest of the three nations.

Iranian Foreign Minister 'Ali Akbar Velayati said the main pivots of Iranian diplomacy have been centered on developing relations with the newly independent states of the former Soviet Union to strengthen peace and stability in the region.

He said the current relations among Iran, Ukraine and Turkmenistan serves as a good pattern for peaceful coexistence and friendly political and economic cooperation in the region.

The Iranian foreign minister suggested that trade exchange among the three states could be boosted to dlrs. 100 million annually.

He also hoped that the trilateral cooperation would serve to develop the economic and political capability of the three nations as well as promote regional security and stability.

Turkmen Foreign Minister Boris Shikhmuradov for his part said that the idea of launching trilateral cooperation has not been dictated by anyone and that the presidents of the three states themselves set the pace for the current cooperation.

Shikhmuradov said Turkmenistan does not regard its relations with Iran and Ukraine as merely trade ties, but, as part of its principled policy in the post-independence era.

He expressed Ashgabat's readiness to help the trilateral commission attain its goals.

He welcomed the suggestion of Velayati to increase trilateral trade to dlrs. 100 million in the current year and called for taking practical actions to do so.

Ukraine: Gas, Economic Agreements Reached With Iran, Turkmenistan

WS2806110496 Kiev INTELNEWS in English 0236 GMT 28 Jun 96

[FBIS Transcribed Text] Kiev, June 27 — Ukraine, Iran and Turkmenistan have agreed to clear supplies of Turkmeni gas to Ukraine. The agreement was reached at a session of the trilateral Ukrainian-Iranian-Turkmenistan Committee for Trade-Economic and Investment Cooperation, which ended Thursday in Kiev. A protocol establishing committee regulations and a trilateral trade agreement were also signed, as well as cooperative banking agreements between the national banks of the three countries.

The accords were signed by Iran's Foreign Minister 'Ali Akbar Velayati, Turkmenistan's Foreign Minister, Ukraine's Government Deputy Chairman Boris Shykhmuradov and Deputy-Prime Minister Vasyl Yevtukhov.

According to an INFOBANK report, the first two agreements will form the basis for clearing supplies of Turkmeni gas, and Ukraine will pay for gas through its exports of goods and services to Iran. These will include the reconstruction and building of metallurgical plants and railways in Iran.

"We are building our relations on the principal of trade and economic cooperation, which is the basic principal of the agreement signed today. The basis of our cooperation is a long list of goods and services," Yvtukhov said Thursday.

According to him, Ukraine will also deliver turbines for a power plant which has been built in Iran.

By early 1997, Turkmenistan will start delivering eight billion cubic meters of natural gas annually to Iran. By that time, according to Iranian and Turkmenistan officials, the construction of the Iran-Turkmenistan pipeline will be completed using Ukrainian-made pipes.

Shykhmuradov said that Slovakia [as received] may eventually develop greater trade and economic relations with the three countries.

Iran is by far Ukraine's largest trade partner in the Near and Middle East, with 27 signed agreements. According to INFOBANK, the Iranian market is receptive to Ukrainian exports, particularly in the fields of metallurgy, engineering and power engineering. In 1993 trade turnover between the two countries reached $30 million, with $49.9 million in 1994 and $34.1 million in 1995.

Trade turnover between Ukraine and Turkmenistan totaled $1,059.7 million in 1995.

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Ukraine: Economic Projects With Brazil, Argentina, Chile Described

WS2806082796 Kiev INTELNEWS in English 0236 GMT 28 Jun 96

[FBIS Transcribed Text] Kiev, June 27 — Brazil has come up with an offer for Ukraine to participate in the construction in 1997-1998 of a chain of hydroelectric power stations of 150 to 600 megawatt capacity. In addition, Brazil has expressed interest in Ukrainian know-how on the repair of power lines.

Ukraine's UkrInterEnergo and DonbasEnergoRemont (maintenance and repair) companies have held preliminary negotiations with the state-owned Copel and private Inepar electric companies.

In addition, Ukraine is ready to participate in the construction of a gas pipeline connecting the Brazilian state of Parana with the Argentinean city of Salta. The pipeline's total length will be 300 km, with 150 km in Brazilian territory. Brazil is seeking to purchase Ukrainian-made aircraft and military technology for its armed forces, and to import tractors from Ukraine. The prices for Ukrainian tractors are three to four times lower than the prices for foreign or locally made machinery.

In Argentina, a seaport administration signed a contract with Black-Azov Seas Shipping Lanes Co. (Odesa) under which it will start deepening operations using a Ukrainian dredge pump ship. The work will continue for 25 months, involving a number of Argentinean ports. In addition, Argentina's Ocean Fish S.A. submitted a proposal to the Ukrainian Ministry of Fisheries for joint catches of fish in the southern Atlantic. The Argentinean government has also given the green light 18 hydro and two thermal electric stations to be constructed with the help of Ukrainian companies. Among the Ukrainian companies involved are TurboAtom Co. of Kharkov, and the ZhaporizhTransformer Co. of Zaporizhya, which will supply transformers for the electric power stations.

Ukrainian auto manufacturing companies AutoZAZ and LuAZ have started talks with Argentinean Maronese S.A. and Avan S.F. companies on the production of ZAZ and LuAZ cars in Argentina, and Ukraine's truck manufacturer, AutoKRAZ will open its office in Argentina soon.

Ukraine's Cabinet of Ministers has bound the Ministry of Foreign Economic Relations and Trade, the Ministry of Economics and Foreign Ministry to submit to Parliament for ratification agreements on trade and economic cooperation between Ukraine, Argentina and Brazil, plus an agreement on assistance and mutual protection for foreign investments between Ukraine and Chile.

The agreements should be submitted for ratification before July 15. Additionally, proposals to establish bilateral commissions on cooperative military technology for the same countries must be submitted before August 1, along with a proposal to establish regular maritime links with Latin America. According to estimates, such links from Black and Azov sea ports would reduce the cost of goods in mutual trade by seven percent.

At the request of the Chilean government, the Kiev city administration is tasked to prepare before August 1 information on conditions for foreign acquisition of small privatization units and incomplete construction projects in Kiev, as well as proposed price lists for those units.

State support was promised to the joint-stock company UkrZakordonNaftoGazBoud (Ukrainian Foreign Oil and Gas Construction Company) for talks on the construction of gas pipelines connecting Argentina and Chile, Bolivia and Peru and Bolivia and Argentina, along with the construction of other power sites and a transcontinental gas pipeline to connect the Atlantic and Pacific coasts of those South American countries.

The Cabinet cited the automotive industry, reconstruction of sea ports and ship overhauling, power production, agricultural machine building and space exploration as priority areas of cooperation between Ukrainian and Latin American countries.

Talks on cooperation in ferrous and non-ferrous metallurgy, fertilizer and consumer goods production between Ukraine's Ministry of Industry and Chile's Norvik S.A. and OSP S.A. companies have taken place. The latter plans to open its office in Ukraine.

Currently in operation, Ukrainian-Chilean DniproShina-America Co. will supply $5 million worth of tires to Chile. A second Chilean company, Taros S.A., is interested in establishing a joint copper-production company with the largest Ukrainian copper manufacturer, the Artemivsk non-ferrous metals plant.

National Affairs

Ukraine: Text of President's Decree on Constitutional Referendum

LD2706215196 Kiev UT-1 Television Network in Ukrainian 1800 GMT 27 Jun 96

[No video available]

[FBIS Translated Text] We have received the decree of the Ukrainian president on holding a Ukrainian national referendum on the adoption of a new constitution.

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The decree of the Ukrainian president on holding a Ukrainian national referendum on the adoption of a new Ukrainian constitution:

As the Ukrainian Supreme Council, under various pretexts hampering the constitutional process in Ukraine, has failed over the period of more than three months to adopt a single section of the 15 sections of the new draft Ukrainian constitution and, contrary to the provision of the constitutional treaty between the Ukrainian president and the Ukrainian Supreme Council on the main principles of the organization and functioning of state power and local Government in Ukraine until a new Ukrainian constitution is adopted and on adopting the text of a draft Ukrainian constitution agreed by the parties to the treaty; has set up a provision special commission to carry out additional work on the draft Ukrainian constitution from people's deputies of Ukraine only, i.e., representatives of one party to the constitutional treaty — the Ukrainian Supreme Council; proceeding from the fact that the draft Ukrainian constitution approved by the constitutional commission, which had been set up by the Ukrainian Supreme Council from representatives of three branches of power, and submitted by the Ukrainian president and the head of the Ukrainian Supreme Council to the Ukrainian Supreme Council for its consideration and adopted by it on 24 April 1996 as a basis is a legal document that is the most coordinated by the parties to the constitutional treaty; in view that further groundless delay in the adoption of a new Ukrainian constitution will destabilize the situation in society and the country, aggravate the economic crisis to catastrophic proportions, worsen considerably the living standards of the people and undermine the reputation of Ukraine in international relations due to its inability, over five years, to confirm in a new constitution its status of an independent state; and in compliance with Article 26, Part 4, of the constitutional treaty — I decree:

1. To hold on 25 September 1996 a Ukrainian national referendum on the adoption of a new Ukrainian constitution.

2. To put to the Ukrainian national referendum the text of the draft Ukrainian constitution agreed upon by the constitutional commission on 11 March 1996 and adopted as a basis by the Ukrainian Supreme Council on 24 April 1996.

3. To include on the voting paper for secret ballot the following question and possible answers to it:

Do you confirm the text of the new Ukrainian constitution? — Yes, I confirm it. No, I do not confirm it. Ukrainian citizens express their will by crossing out, if the answer is positive, the words No, I do not confirm it, and, if the answer is negative, the words Yes, I confirm it.

The voting papers on which both answers or neither have been crossed out are deemed invalid.

4. To confirm the text, form, and size 160 by 150 mm of the voting paper for secret ballot at the Ukrainian national referendum.

5. For the purpose of preparing and holding the Ukrainian national referendum on adopting a new Ukrainian constitution, a central commission on the Ukrainian national referendum on the adoption of a new Ukrainian constitution; a commission of the Autonomous Republic of Crimean on the Ukrainian national referendum; regional, district, town, town's district, village, and countryside commissions on the Ukrainian national referendum; and electoral ward commissions on the Ukrainian national referendum are being set up.

The Ukrainian Cabinet of Ministers is to submit within three days proposals concerning the composition of the central commission on the Ukrainian national referendum on the adoption of a new Ukrainian constitution; and to submit within five days a draft provision on the procedure of setting up and functioning of commissions on the Ukrainian national referendum on the adoption of a new Ukrainian constitution — from now on the Provision.

The government of the Autonomous Republic of Crimea and local state administrations are to set up within five days of the approval of the Provision respective commissions on the Ukrainian national referendum.

The executive committees of town, town's district, village, and countryside councils are to provide assistance in the matter of setting up commissions on the Ukrainian national referendum.

6. The government of the Autonomous Republic of Crimea, local state administrations, the executive committees of local councils are to provide comprehensive organizational and technical assistance to commissions on the Ukrainian national referendum.

7. The Ukrainian Cabinet of Ministers is to solve the issue of financing the preparation and holding of the Ukrainian national referendum.

8. This decree comes into effect on the day of its signing.

[Signed] Ukrainian President Leonid Kuchma
[Date] 26 June 1996

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Ukraine: Supreme Council Approves New Constitution

LD2806071396 Moscow ITAR-TASS World Service in Russian 0648 GMT 28 Jun 96

[By ITAR-TASS correspondent Raisa Stetsyura]

[FBIS Translated Text] Kiev, 28 Jun (Itar-Tass) — The Ukraine' Supreme Council today adopted the country's new constitution.

This was done after President Leonid Kuchma, dissatisfied with the delays in adopting the basic law, had, on 26 June, announced a referendum on the constitution.

Ukraine was the only new state that emerged after the disintegration of the USSR that did not have a constitution.

Ukraine: Parliament Adopts Constitution, Declares 28 Jun Holiday

LD2806095696 Kiev UNIAR in Ukrainian 0835 GMT 28 Jun 96

[FBIS Translated Text] Kiev — At 0835 this morning the Ukrainian people's deputies ended their article-by-article voting on the constitution.

Article 160 says: "The Constitution of Ukraine comes into effect from the moment of approval"; Article 161 says: "The day the constitution is adopted, 28 June, is a state holiday and is to be referred to as Constitution Day."

Deputies still have to vote for the transitional provisions, the law on the adoption of the new constitution, and a resolution proposing that the president revoke his decree on calling a referendum for 25 September.

Ukraine: Voting on Constitution Adoption Detailed

LD2806073096 Moscow ITAR-TASS World Service in Russian 0638 GMT 28 Jun 96

[FBIS Translated Text] Kiev, 28 Jun — Ukraine's Supreme Council adopted the Constitution of Ukraine on this morning after a 23-hour sitting.

A total of 315 deputies voted in favor of it, with 36 against, and 12 abstentions. Thirty deputies did not vote (the country's parliament has 422 deputies in all).

The country's president, Leonid Kuchma, was in the chamber at the moment when the constitution was passed.

After the vote and the applause that followed, Ukraine's national anthem was played in the chamber.

Ukraine: Kuchma: Military Danger 'Reality for Any European Region'

LD2706153596 Kiev UNIAN in Ukrainian 1400 GMT 27 Jun 96

[FBIS Translated Text] Kiev — Addressing students of the Armed Forces Academy on 27 June, President Leonid Kuchma expressed his profound belief that "Ukraine should have and will have modern armed forces."

Our state's nonaligned status does not mean "self-isolation", he said. Kuchma said that Ukraine had already concluded agreements on military and technical cooperation with 32 countries, that it was taking an active part in the Partnership for Peace program and was ready to establish other military contacts; however, "not at the expense of third countries."

"Despite the largely favorable military and political situation around our country we must proceed from the fact that military danger continues to be a reality for any European region," he said. Therefore, one of the main functions of the Ukrainian state is to ensure its independence and territorial integrity, the president said. "The Ukrainian armed forces play a decisive role in performing this function," he said.

Kuchma said a model of Ukrainian armed forces was currently being worked out, which would meet the requirements of the present day and the future. This model is aimed at the implementation of the state programme for the reform and development of the army by the year 2001. It is envisaged that a whole number of legal, organizational, and technical measures will be taken. This will make it possible to improve state control over the military sphere, optimize the structure of the armed forces and the system of control over troops and armaments, to switch over to entirely new forms of logistical and administrative support to the troops, improve the system of supplying personnel to the army and raise the effectiveness of the operational, combat, and mobilization training.

Addressing the students and graduates of the academy, Kuchma said he admitted his and the government's guilt for the social and economic situation of servicemen. At the same time, he stressed that the leadership of the state would spare no effort to ensure "the required level of Ukraine's defense capacity and improve servicemen's wellbeing."

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Belarus

Belarus: Supreme Soviet Decrees Criminal Responsibility for Officials

WS2706074596 Minsk BELAPAN in English 0620 GMT 27 Jun 96

[FBIS Transcribed Text] Minsk, 26 June — During the morning sitting of June 26 the Supreme Soviet approved a bill on the introduction of amendments into the Criminal and Criminal Practice Codes. The introduction of amendments was a corollary to the Supreme Soviet resolution in response to the Constitutional Court's message on the state of Constitutional law in the country in 1995. The bill, which was drafted by the parliamentary Committee on Legislation, envisages the punishment of officials for the failure to observe laws. The bill above all [as received] specifies the notion "officials." These are the chiefs of supreme bodies of legislative and executive power and their deputies; the heads of ministries, departments and other state government bodies under the authority of the Supreme Soviet, the President and the Cabinet of Ministers and their deputies; the heads of local executive bodies, local Soviets and their deputies; and the chiefs of boards of the Ministry of Internal Affairs and the State Committee for State Security and their deputies.

From now on officials are to be punished by imprisonment during a period of up to three years, or corrective labour during a period of up to two years or the deprivation of the right to be appointed to certain positions during a period of up to 5 years or a fine for the intentional non-performance or improper performance of actions which they were obliged and able to perform according to legislation and the duties imposed upon them, if this entails great damage or considerable harm to the rights and lawful interests of people of public interests, or is accompanied with connivance at crimes.

The taking of measures aimed at the non-observance of laws by subordinates is punishable by imprisonment during a period from 1 to 5 years and the deprivation of the right to fill certain positions during a period of up to 5 years.

In addition the compulsion of an official not to observe the Constitutional Court's judgements is punishable by imprisonment during a period of up to 3 years or the deprivation of the right to fill certain positions during a period of up to 5 years. The same action but entailing great damage or considerable harm to the rights and lawful interests of people or state and public interests is punishable by imprisonment during a period from 3 to 6 years with the deprivation of the right to fill certain positions during a period of up to 5 years.

Belarus: Foreign Minister Says Nuclear Withdrawal on Schedule

LD2706122896 Moscow INTERFAX in English 1124 GMT 27 Jun 96

[FBIS Transcribed Text] MINSK, June 27 (Interfax-West) — The schedule for withdrawing strategic nuclear warheads from Belarus has not been disrupted, Foreign Minister Uladzimir Syanko told a Thursday press conference.

The last nuclear rocket will leave the country at the end of the year, in accordance with the bilateral Belarusian-Russian agreement, he said.

He intends to discuss the creation of a nuclear-free zone in Central Europe with the Ukrainian and Polish foreign ministers during their meeting July 20.

The parliament has taken a "rational, pragmatic decision," in legalizing the participation of Belarusian soldiers, interior ministry troops, and prosecutors in peacekeeping operations outside Belarus. "Another decision would have the voluntary self-isolation of Belarus," he said.

According to the law, Belarusians can be sent out of the country "to carry out government duties and participate in peacekeeping operations only by the decision of the Supreme Soviet and the agreement of each individual."

Belarus: Supreme Soviet Continues Legislative Work

WS2806110396 Minsk Radio Minsk Network in Belarusian 1000 GMT 28 Jun 96

[FBIS Translated Text] On the [working] week's last day, the Supreme Soviet deputies were working at a harmonious and rhythmic pace. All the issues on the agenda were considered in a businesslike and well-balanced manner.

At the morning sitting, they approved a draft law on securities and stock exchanges. Due to two articles, a draft law on state insurance was not as lucky; it was returned for reworking. As for a law on the status of the capital of the Republic of Belarus, it was adopted in the first reading. Incidentally, it was resolved that the Minsk mayor will be elected by nationwide ballot.

Today the deputies included on the agenda the issue of prolonging the powers of the Central Electoral Commission in connection with the by-elections of deputies to the Supreme Soviet of the 13th convocation.

Parliament also heard a report of the temporary commission for examining the events that took place in Minsk

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on 26 April and 30 May [anti-government rallies]. An appropriate resolution was adopted.

Belarus: Chyhir Views Effort Toward World Economic Integration

LD2606191896 Moscow INTERFAX in English 1638 GMT 26 Jun 96

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] [no dateline as received] Minsk is driving a policy of wide-ranging international cooperation because its future and prosperity depend on the country's integration into the world economy, Prime Minister Mikhail Chyhir told an international forum on investment in Minsk on Wednesday.

He said this will be a hard and lengthy road, but Belarus is determined to cover it.

To make his case, the prime minister said Belarus ratified a framework agreement with the European Union, signed a treaty on a Community of Russia and Belarus and became the 15th member of the Central European Initiative. He said that as the next step, Belarus will join the Council of Europe.

Chyhir maintains Belarus is a sovereign state seeking to develop a free market economy based on democratic values.

On the internal situation, he described it as compounded though saying economic institutions of a sovereign state were all there. These include an independent monetary and banking systems and government bodies capable of implementing sophisticated management decisions.

Chyhir is sure these institutions are capable of achieving the main goal of ensuring higher living standards. He said Belarus was set to create a socially-oriented market economy of a mixed type which has worked in many advanced countries.

The prime minister said Belarus adopted a five-year development plan aimed at raising economic efficiency. This is to be implemented in two phases. The initial stage spread over a period between 1995 and 1997 provides for stabilization and setting conditions for economic growth. Sustained growth is envisaged in the next stage covering a period of 1998-2000 on the basis of economic restructuring.

The prime minister said that a sensible internal policy and a conducive export environment would form the basis of economic growth over the period while deregulation and privatization would be the backbone of economic reforms.

He said the privatization policy would be aimed at reforming old forms of economic management, lesser government regulation of the economy and higher investment. The government is set on gradualism and balanced reforms to rule out any flare up of tension as it happened in other CIS states. Chyhir said the government planned to increase to 20 percent the share of the private sector in the economy this year and next.

It plans to finalize incorporatization of facilities in the light and food industries, road transport except public transport, timber, construction and building materials and the farming sector. Privatization is to be speeded up of retail trade, services and catering.

Medium and large size engineering plants are to be transformed into stock companies in the first stage. The transformation of state farms and farm processing facilities into open-end companies is to be finalized in 1997.

The prime minister said Belarus would seek to achieve proportions established in other countries where about 70 percent of basic assets are in private hands. "We hope the privatization process will make a positive effect on the enlargement of the private sector and financial standing of enterprises," Chyhir said.

Moldova

Moldova: Snegur To Run for Presidency on Behalf of PRAM

AU2706114396 Chisinau INFOTAG in English 1932 GMT 26 Jun 96

[FBIS Transcribed Text] Chisinau, June 26 (INFOTAG) — On 13 July the Party of Revival and Accord of Moldova [PRAM] is holding its second congress, which will nominate the party's candidate for presidency. This will be the PRAM leader, the current president of the Republic of Moldova, Mircea Snegur, PRAM Deputy Chairman and MP Nicolae Andronic stated at a press conference on Wednesday.

As decided by the PRAM Council, one of the congress agenda items is "election of Snegur, which will be a chance for the independent and democratic Moldova."

The congress is planning to propose the formation of a mass movement in support of the PRAM candidate. "This will be the election of not a personality, but a course," Andronic stressed. "The forces which are dreaming of a return to the past have got united with chauvinistic organizations into the so-called popular-patriotic bloc, and may nominate a candidate of their own," Andronic said.

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According to a PRAM analytical group, the ruling Agrarian Democratic Party of Moldova [PDAM] will nominate Prime Minister Andrei Sangheli as their candidate. Parliament Chairman Petru Lucinschi is also going to participate in the race. Intentions to run for presidency have been stated by the chairman of the Party of Democratic Forces, Valeriu Matei, and freelance Maricica Levitchi. It well may be that they will be joined by Anatol Plugaru, the former National Security Minister.

Andronic made a supposition that if the popular-patriotic bloc really nominates its candidate, then this person and Mircea Snegur may pass to the second round of voting.

According to Andronic, many provisions from the PRAM program will be included into Snegur's electoral program — first and foremost those pertaining to strengthening the power of the institution of president.

He pointed out that the authors of the current Constitution have restricted presidential powers, as they regard Snegur as their serious rival. Andronic named it "an abnormal situation" when the PDAM, having polled only 30 percent votes, has become a voting machine in the hands of certain politicians, while the president, as well as the Parliament, elected by the entire nation, have no real power.

"All political parties are saying the current situation in Moldova is a catastrophe — everybody but the rulers who do not wish to change anything in the republic. The majority faction has stated it will not replace a single minister before the elections," Andronic said.

He has admitted that "the current president has drawbacks, we realize that during the election campaign we will have to answer very difficult questions, but we are ready for that. In the past several years, Mircea Snegur often was in quite difficult situations, and he demonstrated that he is ready and able to successfully communicate with plain people, not only with local bosses."

Andronic has reported that Snegur was the only one of the three top Moldovan leaders to have refused to receive Ivan Bodiul, the Moldovan "ruler" in 1960s-1980s, when he was on a visit to Chisinau recently. "Bodiul asked for such a meeting, but Snegur's refusal demonstrates his attitude to this personality," Andronic said.

President Mircea Snegur will never sign the memorandum on the Dniester settlement principles in case it contradicts to the Moldovan Constitution, Nicolae Andronic stated at today's press conference.

In his words, the president will only sign such a document which will serve for the good of the country.

Andronic does not rule out that the Russian diplomatic activity is aimed at having the memorandum signed before 3 July, when the second round of presidential elections will be held in Russia. "Even if the memorandum is signed before that date, this will only be done in case Moldovan interests are fully observed," Andronic emphasized.

The PRAM deputy chairman has spoken up against transforming the former Russian 14th Army into a peacekeeping force in the Dniester region. "The experience of Georgia shows that Russia, having received military bases in exchange for a promise to promote the Abkhazian conflict settlement, has not resolved the Abkhazian problem, and is now threatening to withdraw its peacekeeping force from Georgia," Andronic said.

As the PRAM candidate, Snegur is in no way neglecting the Dniester electorate, Andronic stressed. At the same time, Snegur considers it quite problematic to open polling stations in the Dniester region, because the separatist region is holding presidential elections of its own at the end of 1996.

"People in the Dniester region are not aware of the real situation in Moldova, and if circumstances permit to arrange candidates' meetings with the local electorate, such meetings may change things substantially," Andronic presumes.

Moldova: Democratic Forces Nominate Matei To Run for Presidency

AU2706084296 Chisinau INFOTAG in English 1905 GMT 25 Jun 96

[FBIS Transcribed Text] Chisinau, June 25 (INFOTAG) — The Party of Democratic Forces [PFD] has been the first political force in Moldova to have decided officially to participate in the presidential elections and to have nominated its own candidate for the presidency. The PFD congress of 23 June nominated the party chairman, Valeriu Matei, as candidate. PFD Deputy Chairman Alexandru Mosanu announced at today's press conference.

This decision has been taken with a due account of the current situation in the republic and of the positions of some other parties. Mosanu stressed, his party has principal differences with other political forces, including the ones that are in the Alliance of Democratic Forces, which are yet uncertain about their candidates, and with which the PFD has serious differences concerning the CIS membership problem.

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"Our principal stance is that Moldova should quit CIS structures, and we cannot give up our position. Current events are showing that there exists a serious threat to the Moldovan independence. That is exactly why we believe the PFD should go to elections with its own candidate," Mosanu said.

Another PFD deputy chairman, Nicolae Dabija, believes that "the nomination of our candidate is not so much the proposition of a new personality, but rather a proposition of a new government concept."

"It is a mistake to assert that the PFD candidate nomination will split rightwing forces. President Snegur cannot be considered a rightwing candidate. Snegur and Matei will only supplement each other. Being less involved in power structures, Matei can say much more to the electorate during the election campaign," Dabija said.

He stressed that the national liberation movement candidates abstained from the 1991 presidential elections, and their boycott was one of their biggest mistakes. In his opinion, they should have nominated their candidate then, even if his chances would have been next to zero.

The PFD does not rule out a possibility of Moldova's gradual unification with Romania, but only with a strict observance of international law principles, PFD leaders confessed at today's press conference.

Our corespondent asked them to explain what the "realization of national ideals" formula means in the new PFD program, and whether or not it contradicts to the program's principles of consolidation of the Moldovan statehood, on which Valeriu Matei stated there was no contradiction whatsoever.

"The 'realization of national ideals' is treated by us very broadly. It includes restoration of national self-conscience, spiritual revival, restoration of the spiritual values of the Romanians, things that have been subject to consistent destruction in Moldova for 50 years. It is in no contradiction with the consolidation of the statehood and independence of the Republic of Moldova, which we interpret as independence from Russia and CIS structures. At present, Moldova has no economic independence, without which there can be no political independence," Matei stressed.

"The European and Euro-Atlantic integration, which we struggle for, is impossible without integration with Romania, and we identify ourselves as a part of the Romanian nation. The realization of national ideals depends not only on internal, but also on external factors," he said.

Mosanu has stated that "a policy without an account of reality may lead to an adventurism, and the new PFD program reflects the possibilities of today (...)."

"Our program does not rule out a possible unification with Romania, but only through passing certain stages — like the ones that took place during the 1918 unification. For the time being, we stand up principally for Moldova's escaping the zone of Moscow's influence. At considering a possible unification, one needs to take into account the charter on recognition of boundaries in Europe dated 10 February 1947, the Helsinki accords, and many other documents. We cannot ignore them, otherwise we may find ourselves in an international isolation one fine day — together with Romania," Mosanu said.

Nicolae Dabija has stressed that in the current conditions [circumstances] a unification is only possible on the example of Germany, only through a referendum, and with respect of all democratic norms of decisionmaking.

When asked to interpret those places in the program, which state the necessity to settle territorial disputes with Ukraine, Valeriu Matei stated that "it is not so much the problem of Moldova but, rather, of Romania, as Bucharest lost its legitimate lands as a result of the Molotov-Ribbentrop Pact."

The PFD leaders have criticized the initialed draft of the Chisinau-Tiraspol memorandum on the principles of the Dniester conflict settlement.

In their opinion, this document envisages the establishment of a state inside a state, is aimed at further holding Moldova in the zone of Russian strategic interests, and may lead to a "Dniesterization" of the entire Republic of Moldova.

"The Moldovan leaders who have a direct relation to the document have once again proved their direct orientation to Russia. Thus, they are seeking to create an illusion of a peaceful problem settlement in order to receive votes of the Dniester region electorate. In reality, all this will only consolidate Dniester, which is an artificial territorial unit that remains an excellent zone of dirty money laundering for thieves from all over the FSU," Valeriu Matei stressed.

The PFD leaders are demanding to restore the quadripartite conflict settlement mechanism with the participation of Romania, to grant a status of peacekeepers to military units from other countries, but not Russia, and to involve more international organizations in the conflict settlement process, not only the OSCE [Organization on Security and Cooperation in Europe].

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Moldova: Agrarian Party To Nominate Sangheli for Presidency

LD2706181496 Moscow INTERFAX in English 1613 GMT 27 Jun 96

[FBIS Transcribed Text] CHISINAU, June 27 (Interfax) — The Agrarian-Democratic Party (ADP) of Moldova will nominate Moldovan Prime Minister Andrei Sangheli for the presidency at its congress on July 6, ADP Chairman Dumitru Motpan told a Turkish parliamentary delegation in Chisinau Thursday.

Only the parties represented in the parliament, the Communist Party and the pro-presidential Revival and Accord Party stand a chance of winning the presidential race, he said.

The chairman of the ADP parliamentary faction, Anatoliu Popusoi, told Interfax that the party leaders had met with their counterparts from the Popular-Patriotic Bloc, an association of the Communists, the Socialists and the Unity movement. The politicians discussed their campaign strategy and tactics and the possibility of naming a single candidate, he said.

Sangheli is the most probable candidate, suiting all sides involved well, Popusoi said. He noted that the party leaders had not even considered backing incumbent President Mircea Snegur or Parliamentary Chairman Pyotr Luchinskiy.

Moldova: High-Ranking Officers Demand General Creanga's Dismissal

AU2706132396 Chisinau BASAPRESS in English 2100 GMT 26 Jun 96

[FBIS Transcribed Text] Chisinau 26/6/1996 (BASA-press) — A group of high-ranking officers of the defense Minister sent Wednesday a message to President Mircea Snegur, Speaker Petru Lucinschi, and Premier Andrei Sangheli, demanding dismissal of Gen. Creanga, which, according to them, would restore order in the Armed Forces.

"The National Army lacks a single leadership, imposed by status, regulations, and legislative acts. The split into camps jeopardizes the Army's integrity and creates premises for tension within the staff. The officers and the military units headed by them placed themselves on diverse sides of the barricade erected by Mr. General Pavel Creanga," reads the document signed by 19 persons.

The signatories of the message, heads of important defense ministry subdivisions, mentioned "the majority of officers does not support the restoration of the defense minister and does not accept his activity, which currently is reduced to persecuting those who oppose him."

According to the document released to BASA, Gen. Creanga is supported by "the heads of technical-material and financial supply divisions, who are compromised in principle, and by only four brigade commanders who also have certain sins on the record."

The authors of the letter underline "the militaries lose their trust in social equity, supremacy of the law, and military regulations."

According to them, the dismissal of Gen. Creanga as urgent as possible and the appointment as defense minister of a bright person would remove the split within the National Army and restore the balance within the officer staff.

Minister Pavel Creanga launched earlier statements interpreted by the press as direct blackmail against the president and supreme commander of armed forces.

The PDAM [Democratic Agrarian Party of Moldova] parliamentary faction deputies, convoked Tuesday [25 Jun] in a sitting attended by the prime minister, concluded that the issue of defense minister dismissal, earlier demanded by President Snegur, exceeded the authority of Parliament, and suggested the premier acting on the base of constitutional norms, considering the opinions of all parliamentary factions.

After President Snegur asked Parliament to return to the question of defense minister dismissal, Gen. Creanga launched many statements interpreted by political circles as blackmail against the president and supreme commander of armed forces.

Moldova: Snegur Accuses Defense Minister of Provoking Mutiny

LD2706174296 Moscow INTERFAX in English 1722 GMT 27 Jun 96

[FBIS Transcribed Text] CHISINAU, June 27 (Interfax) — In a letter sent to the country's Prosecutor General's Office, Moldovan President Mircea Snegur has accused Division General Pavel Creanga, the defense minister, of provoking a mutiny.

Snegur wants an investigation into what is going on in the Defense Ministry so as to prevent destabilizing the national army and its involvement in the political struggle.

Creanga is said to have ignored the orders issued by Snegur in his capacity as the supreme commander-in-chief of the country's armed forces, to have split the army into opposing groups and have revealed confidential and secret information.

Snegur refers to the publication of the minutes of the army leadership meetings and defense orders in certain media.

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